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EVALUATION REPORT
SMALL FARMER PRODUCTION PROJECT
AID Grant No. 263-0079

Implemented
between

The Principal Bank for Development and Agricultural Credit
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Cairo, Egypt

and

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Agricultural Cooperative
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FOREWORD

This mid-project internal evaluation was conducted by a five member team during the months of January and February 1983. The members of the team were:

- Glenn G. Browne, Credit Evaluation Consultant
- J. Gerald Feaster, Farm Management Consultant
- Frank A. Santopolo, Sociological Impact Consultant
- Osman A. El-Kholei, Agricultural Economist Consultant, MOA/GOE
- Lewis E. Clark, Storage and Training Consultant and Team Leader.

Dr. Santopolo was the first member of the team to arrive and he conducted sociological impact interviews during the first three weeks of January. Dr. Feaster and Team Leader, Lewis Clark arrived January 13th and Credit Evaluation Consultant, Glenn Browne arrived on January 23rd. Dr. El-Kholei joined the team on selected days. Mr. Browne and Dr. Feaster completed their work on February 24th and the Team Leader stayed through March 2nd to finalize and reproduce the report.

The conclusions and recommendations which follow are based on the subjective judgement of the Evaluation Team. Details of the evaluation are recorded in the body of the report and additional background information is included in the various annexes. The Evaluation Team discussed preliminary results of the evaluation with USAID Agriculture officials on February 16, 1983 and with USAID Program officials on February 24, 1983. The report was reviewed with the ACDI technical assistance team in Cairo on February 26, 1983.

BACKGROUND OF THE SMALL FARMER PRODUCTION PROJECT

On June 17, 1977, the U.S. Agency for International Development Mission in Cairo, Egypt (AID/E) completed a Project Identification Document (PID) in which the initial concepts for a "Small Farmer Production" project were delineated. The PID was approved by AID/Washington on July 26, 1977 thus providing the authorization for AID/E to cooperate with the Government of Egypt (GOE) to formulate a project which would enhance the income and quality of life of small farmers and their families, the targeted direct beneficiaries. In conjunction with the PID approval process, several policy and design issues were identified which the GOE, AID/E and AID/W agreed would need to be studied and dealt with in the Project Paper (PP) which would formalize the scope and design of the project thus providing the basis for the Grant Agreement under which the U.S. Government funds would be made available in support of specific components of the project.

In order to contribute to the resolution of the various policy and design issues and to provide information needed for the finalization of the PP, AID/E requested and received assistance from a seven member U.S. Department of Agriculture team which rendered assistance under PASA/Ag/Egy CO42-12-78. The USDA team completed its report in Egypt in March 1979. The report entitled, "An Evaluation of Operations of the Principal Bank for Development and Agricultural Credit and a Recommended Program of Assistance" laid the foundation for the present Small Farmer Production Project (SEPP). This was followed by AID/E submission of the completed PP as of May 25, 1979 and by the execution of Project Grant Agreement, No. 263-0079 on July 25, 1979 between the Arab Republic of Egypt, Ministry of Agriculture and the United States of America, A.I.D. which provided for a grant in the amount of U.S.\$ 25.0 million and a GOE local currency contribution equivalent to U.S. \$ 8.8 million.

On June 30, 1980, Agricultural Cooperative Development International (ACDI) entered into a host country contract with the Principal Bank for Development and Agricultural Credit (PBDAC) to provide technical assistance, "to develop an improved system |

for providing credit and production inputs to small farmers and to apply the improved system on a trial basis in three governorates: Sharkia, Kalyubia and Assiut". Furthermore, project activities in the first year were to have been initiated in nine villages located in eight markazes or districts. Expansion to nine villages in the same markazes was planned for each of the next two years. The contract called for work to commence on August 15, 1980 or upon receipt by the Contractor of a Notice to Proceed, whichever was later.

Although the Implementation Schedule detailed in the PP anticipated that the host country contract for technical assistance would be completed in December 1979, the delayed selection of the Contractor and effective date of the contract precluded the arrival of the nine member ACDI technical assistance team until September 1980. Project implementation progress during the first few months was slow as project vehicles were not ready for assignment and living accommodations in the Governorates were not readied for occupancy by the advisors until October in Assiut, December in Sharkia and January 1981 in Kalyubia. However, the foundation was laid for the launching of the SFPP lending program in three Village Banks in each of the three Governorates in 1981. A Beginning of Project Report was completed on March 22, 1981 for the purpose of establishing the base-line condition of institutional aspects of the PBDAC, the three Governorate BDACs and the District and Village Banks cooperating in the project "in order to provide a basis for future evaluation of project impact on these institutions."

The contract with ACDI delineated five principal components of assistance to be provided through advise and training to be rendered to the PBDAC management and staff at headquarters and to three governorate banks (BDACs) and selected district and village banks. According to the Statement of Work in the Contract, the assistance was intended to result in the following:

- "a. Improvement of the Bank's administrative, management and service capabilities, including upgrading of facilities and equipment;
- b. The use of increased short, medium and long-term credit funds in each of the three governorates;
- c. Improvement of small farmer management and production through coordination and improvement of credit and extension services, and establishment of cooperating farmer groups to test and demonstrate the production-increasing potential of the increased credit and inputs together with new technologies;
- d. Improvement of farm input delivery and handling capabilities at the local level; and
- e. Improvement of the Bank's training methods and capabilities, including the upgrading of physical facilities and equipment, and limited training in support of governorate programs."

The Evaluators accepted the foregoing component improvements as providing the foundation and the framework for this mid-project evaluation. However, as they began to ask searching questions about the SFPP, they soon recognized that during project implementation the concerned parties had wrought various modifications in the approaches originally delineated in the Project Paper and other project documents. It was apparent to the Team that the bulk of these changes were rational and necessary, but that there were varying degrees of formality buttressing the modifications.

The first step in the evaluation process was the conduct of formal interviews with key SFPP personnel. These interviews were done by the Sociological Impact member of the Evaluation Team. The members of the ACDI technical assistance team and their Egyptian counterparts and specialists, Village Bank managers, financial analysts and extension agents were interviewed in order to ascertain their perceptions of the SFPP and its strengths and weaknesses.

The observations and points made by the interviewees provided important background for the Evaluators as they developed the factual base for this evaluation. While the results of these indepth interviews are summarized in ANNEX I the following observations and points merit special recognition:

- (1) There was strong evidence of positive attitudes and commitment to the success of the SFPP by both Egyptians and Americans;
- (2) both Egyptians and Americans demonstrated a good understanding of SFPP goals and objectives and were working long and hard at their jobs, often under less than desirable working conditions;
- (3) although half of the Americans had been in Egypt less than one year, all Egyptian counterparts had been with the Project two or more years;
- (4) both Egyptians and Americans identified personnel with the strengths of the Project and mentioned their counterparts with respect;
- (5) inadequate systems of communications were identified as being impediments to Project progress;
- (6) most indicated that they would like to have changes made in administrative procedures and personnel policies;
- (7) in rating the quality of the support systems which undergird the SFPP, the performances of the PBDAC and the MOA were considered to be satisfactory, but the rating of USAID was less than satisfactory due to "unexplainable" and "unacceptable" delays in budget and equipment decisions and often contradictory instructions emanating from different offices - (NOTE: the Evaluators both sensed and witnessed that there is excellent personal rapport between SFPP project management personnel and USAID officials and that there is a conscious and ongoing effort to ameliorate bureaucratic impediments to expeditious project implementation):
- (8) There is a feeling that it would be mutually beneficial to the various USAID funded agricultural development projects and particularly to the SFPP if USAID would take a strong lead in promoting coordination which is now believed to be inadequate due to the ad hoc nature of contacts between and among personnel from the various projects;
- (9) Among the Village Bank managers and financial analysts, it was clear that training, particularly the informal training, had been helpful in changing their ways of working with farmers thus

resulting in improved working relations; (10) It was generally believed by these bank people that the SFPP had helped Project farmers to a great extent, particularly through its simplified procedures, credit without collateral and through the technical assistance provided by extension agents and specialists; (11) The bank people also believed that farmers are much more favorably inclined toward the role of extension as it is manifested through SFPP than they were based on their pre-project exposure.

CONCLUSIONS

Following a careful and objective review of the Small Farmer Production Project at mid-term, the Evaluation Team is unanimous in its view that the credit component of the Project has been remarkably well received by small scale farmers, with clear evidence of beneficial effects flowing from this new approach to the extension of credit in Egypt. The Team concurs with the findings and observations in the recent report of Dr. Roy H. Prosterman*, that this Project could be a principal and continuing part of AID's agricultural assistance in the 1980's.

During the course of its Evaluation, the Team travelled to all of the three Governorates in which the Project operates, and undertook at those times to visit several Village Project Banks as well as the farms of a number of borrowers who had received credit through the Project. The Evaluators found almost all of the Village Banks visited to be in very poor physical condition with inadequate working space and unsuitable sanitary facilities. We believe that even modest improvements such as a new coat of paint on the bank building together with a symbol for identification plus a general house-cleaning would do much to improve the image of the Village Banks.

The Evaluators are impressed with the capacity of the Village Banks through the Project, to deliver timely, constructive, non-collateralized loans to farmer clients heretofore ineligible for any kind of institutional credit. The practice of delegating Project loan authority to the Village Bank Manager and the Loan Committee means that loans are now being made quickly to the farmers by local people and are being serviced by those same people - a distinct plus for the Project. In our view, the Project funds available for credit are being effectively used and sound lending appears to be the order of the day, an opinion buttressed by the fact that loan repayment under the Project has remained rather consistently at the 100% level.

* Prosterman, Roy L. and Riedinger, Jeffrey M. - "memo to: Interested Congressmen / AID / Others concerned Re: Field Observations on U.S. Assistance to Egypt", October 8, 1982.

Impromptu visits to the farms of a number of Project loan client farmers found no indications of inappropriate or unauthorized use of loan funds and the evaluators came away with a strong feeling that farmers who are recipients of loans and or extension assistance under the Project are truly appreciative of those services. We found a unanimously expressed opinion among them that Project activities should continue and be expanded to include more people.

A variety of loans are being made through the Project as might be expected when a farmer is given latitude to indicate to his banker the kind of credit he believes will be the most economically beneficial to his operation. From the standpoint of amount, the two largest loan categories are for broiler chicken operations and purchase of buffalos and cows for the production of milk and its related products. Overall crop production requirements appear insignificant, especially by their volume, when compared to other areas of farmer interest and demand.

The Evaluation Team tends to the view that presently Project farmers are being better served by the PBDAC than in the past in the financing of production inputs, but we also feel that through increasing returns from other farm enterprises he is becoming more capable of self financing some of his shorter term needs.

Levels of savings are showing upward movement in Project Village Banks as appears to be the case throughout the banking system. The Team tends to feel that although a bank by bank comparison was not made, savings increases in Project Village Banks can be somewhat attributed to farmer approval of Project concepts which then fosters a growing confidence in the banking system as a whole.

The plan for yearly expansion of Village Banks under the Project is proceeding on schedule. At the time of this evaluation, each Governorate had six banks actively participating in the program with three new banks for 1983 already selected and in the early stages of training.

1

The twenty-seven Village Banks thus involved are all that are contemplated under the present Project Agreement.

Credit resources for the twenty-seven Village Banks under the Project were established to the extent of some 11,000,000 LE and at the time of this evaluation, drawdown of approximately 8,960,000 LE has been made. From these funds, loans totaling 5,800,000 LE had been made through December 31, 1982. SFPP estimates that funds now on hand will carry a restricted lending program until August 1983 and that resources then remaining in the Project can provide funds for the restricted program until mid-1984. Evaluators estimate that funds available from loan repayments could contribute as much as 3,300,000 LE annually by the middle of 1984 which might carry a restricted program for six to seven months. This means a rapidly growing short fall in the amount of money available to fund even a heavily restricted loan program.

The Evaluators believe it would be counter productive to allow such a promising and popular undertaking to flounder and thus we urge appropriate US/GOE authorities to deal quickly with the question as to whether the Project is worthy of continuation and if it is, to begin planning now for acquisition and allocation of fund resources adequate to maximize Project impact.

There is an intense and growing demand in the farming areas for Project type credit and although lending activities of the PBDAC over the past two years have measurably quickened and the Bank is becoming more flexible in its overall approach, we do not sense any currently strong desire by PBDAC to move fully into this area of lending. Thus the need for further demonstration of the Project approach to credit.

The Team does not feel it would be fruitful for it to propose a variety of possibilities for continuity and expansion and then try to relate timing and funding to them. We do believe, however, that the Project should be extended and continued and that it should be funded in sufficient depth to allow for

intensive credit operations which is estimated by SFPP at 2,800,000 LE per Village Bank. Therefore, for purposes of this report, we have assumed that the life of the Project will be extended through the end of 1988, that the present three Governorates will remain the locus for the Project, that expansion of three Village Banks per year in each Governorate will continue and that during 1985 expansion into all Village Banks of Assiut Governorate will take place. Total credit resources of 235,200,000 LE would be required to fully fund the 84 Village Banks involved in the final Project, or a net new money of 224,164,000 after deducting 11,036,000 LE allocated for credit in the present Project.

The Evaluators consider the amount of funds required for credit in an expanded program such as outlined above to be rather modest when related to the massive needs of agriculture and the high probability for continuing success in Project type lending. We are of the opinion that this should no longer be considered a "Pilot Project" but rather a "demonstration" activity more in keeping with the sectoral approach toward development now being used by AID.

The Evaluators feel that the US/GOE should perhaps share the cost of expansion on a fifty-fifty basis. Further, we believe that implementation of the new "demonstration" period, with the termination by the end of 1988, should provide the time and exposure of Project methods and results for GOE and PBDAC to determine the desirability and feasibility of replicating the system nationwide. At that time, funds for further expansion should be fully generated internally.

The Evaluators note the growth and expanded activities of the PBDAC, particularly during the past few years. This institution remains the dominant and virtually the sole source of farmer oriented credit within the country. Important to the Bank and to its future is the fact that by the end of Fiscal Year 1980/81, it had been able to repay all of the loan losses which had been accumulated over the years by predecessor organizations and

thus is now able to build reserves from a growing margin of profit. Likewise, a rigorous program for generating savings has resulted in a sharp upward trend in that activity. The ability of the Bank to marshal these increased resources, coupled with availability of funds through the Central Bank and Commercial Banks, makes it possible to provide an ever increasing volume of loans to agriculture. It is clear that a rapid expansion of development type lending is taking place, and when the report for Fiscal Year 1981/82 is released, we expect it will confirm further growth in the absolute amount of credit flowing into agriculture through the PEDAC system. In any event, by the termination date of an expanded SFPP, and anticipating continuing change and improvements within PBDAC, it should be quite capable of undertaking the effort which will be required beginning in 1989 to replicate SFPP methods and techniques through-out all of its Village Banks.

As noted by the Evaluators, farmers obtaining credit under SFPP are not being directly subsidized either in the loan lending rate or in the prices paid for goods purchased from loan proceeds. Yet, we have not heard a single complaint on this subject from the numbers of farmers who were interviewed by the Team. Thus, we do not feel that the cost of credit or the price of goods is as important to the farmer as is the availability of money or goods at the time and in the amount necessary to maximize his productive capacity. Certainly, the cost of credit is not the single most expensive part of his operation.

Based upon our experience, we believe the farmer can and will pay the market rate for money and goods, provided those essential items are available to him in a timely fashion. The Team is of the opinion that given the apparent high degree of liquidity within the financial markets in Egypt and the relatively low cost of capital that this is a propitious time to eliminate interest subsidies to agriculture, including small farmers. This would be an important and visible step in the process of coming to grips with the complex of subsidies which presently distort the Egyptian agricultural sector.

As the Evaluators proceeded with their assignment, SFPP staff both in Cairo and in the Governorates stressed the need for a better system of communications. Telephone service between Cairo and the Governorates is unreliable and in some cases impossible and mail service is slow and undependable. As a consequence, the flow of communications between the Cairo office of SFPP and the Governorates and between the Governorates is so poor that Project progress is being impeded. The Evaluators are convinced that there is an urgent need to expedite efforts to resolve the impediments to communications. They suggest that at least the following possibilities should be investigated: (1) The use of courier services for hand-carrying of mail and Project documents; (2) the installation of special telephone lines from Cairo to the Governorate offices of SFPP; (3) the installation of direct radio communications.

We also observed several other areas of operation that need to be strengthened in order to improve effectiveness. Among the more important items, we believe, is early development and implementation of a new and more uniform system for the delivery of credit. Present policies, regulations, forms, loan documents and loan procedures should all be carefully analyzed, and from that study should emerge a better overall system for use in the future. We believe this entire subject should be manualized, and that changes or adjustments in policy or procedures should be properly formalized by issuance of manual revisions. Any new system should, as a matter of course, contain features that would insure adequate monitoring of the loan portfolio as well as uniform and consistent reporting on credit matters. In the opinion of Evaluators, preparation of a credit and operations manual such as we suggest will require the services of a well qualified systems specialist for a period of four to six months.

We also strongly believe that present plans to provide an improved accounting and management information system for Village Banks must be pressed to completion at the earliest possible time.

It is our opinion that the rapid growth of this Project and the increased pressure thus placed on staff require some early changes in the staffing pattern. In particular, we feel the Director and Co-Director need and should have assistance in their areas of operation. At the present time, the SFPP Director should be back-stopped with a strong Deputy knowledgeable in the field of finance and credit. He should also have the services of a senior Agricultural Economist at least on a part time basis. Likewise, the Co-Director is badly in need of an American Administrative Assistant to handle day-to-day administrative functions and make it more easily possible for the Co-Director to carry out his more important executive assignments.

In the event SFPP is expanded to the degree suggested by the Evaluators, it would become necessary to substantially increase the numbers of specialists and other staff as outlined in the body of the report. Also in order to accommodate a larger operation, additional office space will be required.

On the basis of our review of available records and documents, interviews, visits to farmers' fields and analyses, we conclude that the farm management objectives of the Project are being achieved. An effective extension program has been established in the Project areas and there is a substantial degree of coordination and cooperation among the credit, extension and research organizations.

Agricultural research and extension are means to the end of generating and disseminating new and improved yield-increasing technology for adoption by farmers. On the basis of a survey of the Project areas and field observations, we are convinced that a broad spectrum of improved agricultural technologies has been introduced including new seed varieties, new animal enterprises, improved irrigation practices and improved equipment. Specific practices introduced included the use

of mowing equipment for removing crop residues quickly to facilitate more timely planting of the next crop.

The Project is reaching a large number of farmers that have less than one feddan. An important farm management practice being used in the Project is block farming where groups of farmers that have contiguous small parcels of land, many with less than one feddan, cultivate their land together as a single unit. The larger block of land can be cultivated more efficiently and extension personnel can serve more farmers. A typical Project block farm involves 30 farmers managing 25 feddans as a single unit.

Higher productivity and incomes are the end goals of the Project. Even though the Project is only at mid-point, the Evaluators looked for evidence of the impact of credit and farm management assistance on farmers' production and incomes. Unfortunately, an adequate system for evaluating impacts on farm productivity and income is not yet operational. Nevertheless, crop production information on some of the block farmer enabled the Evaluators to get some indications regarding crop yield of some Project farmers compared to non-project farmers. An analysis of this data indicates that the Project is having a significant positive impact on the productivity of major crops on small farms.

There is an urgent need to obtain and analyze farm management information for the purpose of measuring impacts of the Project on the farm level productivity and for the basis for better farm management decisions. A record book system has been designed but implementation and use has been slow. It is imperative that priority be given to the analyses of farm management data and that an agricultural economist be assigned on a short term basis to assist in this effort.

The evaluators concluded that the immediate and pressing training needs of Village Bank and extension personnel had been met within the three SFPP Governorates since farm management and credit services were being successfully delivered to small farmers. They recognized that although much of the initial training had been accomplished on a hands on basis by the Credit and Farm Management Advisors and their counterparts, there will be an increasing need for higher level and more formal training of Project personnel. The month-long period of U.S. participant training for ten Credit and Farm Management personnel in October 1982 proved to be valuable as it broadened the horizons and strengthened the technical capacity of the trainees. Plans for Stateside participant training in 1983 are progressing on schedule. It was evident that the SFPP had been very successful in drawing on the technical expertise of specialists from the Ministry of Agriculture and the agricultural universities. The continuance and expansion of the linkage with agricultural research and technology, adapted to the needs of the operators of small farms, is deemed to be vital to the ultimate institutionalization of the SFPP and to the enhancement of the economic well being of these farm families of Egypt.

While the original concept was that the activities of the SFPP training component would go beyond meeting the immediate training needs in the three Project Governorates and upgrade the overall training capabilities of the PBDAC, it is the conclusion of the Evaluators that it is unreasonable to expect that much more than a catalytic role can be fulfilled in this respect. This is because of limited resources and not because of any lack of need or opportunity within the PBDAC. However, the Evaluators are convinced that the demonstration effect of the intensive training activities being carried out in the three Project Governorates, coupled with the PBDAC-wide training of the trainers efforts currently underway, should have a beneficial impact on the quality of training throughout the bank. If as anticipated, the SFPP is expanded to include more

village banks in the present Governorates, the need for trained personnel will be in direct relationship to the rate of expansion. Although training facilities are likely to remain marginal for some time, growing expertise in using modern training methodology, including the increased use of visual aids both at the PBDAC and in the Governorates, should facilitate the delivery of suitable training when and where needed.

Progress toward the construction of twenty-seven new Village Banks and approximately one hundred and fifty Agency warehouses is substantially behind schedule. The schedule for the completion of activities leading up to construction turned out to be unrealistic. Although the first phase of the construction covering approximately one-third of the units was to have been completed by the end of 1982, construction had not begun. The Evaluators conclude that since the advertising relating to the prequalification of construction contractors took place during the period of the evaluation and that several weeks or possibly months may be expected to elapse before construction contracts can be implemented, there is virtually no chance that Phase I construction can be completed before mid-1984. Likewise, the remaining two-thirds of the construction originally scheduled for Phase II (June 30, 1983) and Phase III (November 30, 1983) is unlikely to be completed until late 1984 or possibly before mid-1985.

The Evaluators conclude that there is an urgent need to provide new Village Bank buildings and Agency warehouses. They reaffirm the fact that the leased facilities which are presently in use are non-functional in design and in such deplorable condition that they detract from the ability of even the most qualified and dedicated personnel to render high quality credit, banking and farm input supply services in SEPP areas. The Team concludes that although construction may still be months away, much of the preparatory work has been accomplished. Thus in spite of the difficulties which are expected to be encountered in acquiring approximately one hundred additional buildings sites, obtaining building materials and constructing in accordance with specifications, the facilities are much needed and their construction

must be expedited. Until the facilities are completed, training personnel to use them advantageously and to maintain them cannot be accomplished.

RECOMMENDATIONS

1. That the termination date of the SFPP be extended to December 31, 1988, and that its scope of activities be expanded so as to provide resources to cover an intensive credit program through 84 Village Banks within the Governorates of Assiut, Sharkia and Kalyubia.
2. The funds necessary for the expanded credit program - estimated at 224,164,00 LE, be authorized together with an appropriate amount to cover Project support.
3. That the SFPP obtain written agreement from the PBDAC that all Project loan repayments are to be revolved into SFPP lending operations.
4. That an improved system for delivery of SFPP credit be designed, manualized and implemented as a matter of highest priority. That a short term consultant be employed to accomplish the major portions of systems design and manualization.
5. That an improved system for accounting and management information now under development, be pressed to completion and installed in Project Village Banks at the earliest time.
6. That a uniform and simple system be implemented immediately for recording on a seasonal basis the area, production and yields for each farming block (composed of small farmers producing the same crop).
7. That a uniform and simple system be implemented immediately for recording on an annual basis, livestock and poultry production data for representative groups of Project farmers.
8. That a short term agricultural economist be assigned to implement, as soon as possible, a system for collecting and analyzing farm management data for the purpose of Project monitoring/evaluation and farm management analyses.
9. That a long term American Agricultural Economist (Production Economics/Farm Management) be assigned to SFPP headquarters to provide necessary guidance and backstopping.
10. That an improved system of communications between Cairo and the Governorates be developed and placed in operation.

11. That present SFPP staff be augmented as proposed in the Conclusions and in the narrative of the evaluation report.
12. That significant expansion of the Project not take place until actions required in recommendations 3 through 11 above have been accomplished.
13. That the PBDAC launch an intensive effort to select and acquire title to the approximately one hundred additional sites needed for the construction of the Village Banks and Agency warehouses which were originally scheduled for construction during Phases II and III.
14. That construction of Village Banks and warehouses originally selected for Phases II and III be rescheduled and combined into an enlarged Phase II in order to expedite their completion.
15. That consideration be given to the installation of metal grain storage silo units at the district shounas with the goal of reducing excessive losses.
16. That short term participant training (possibly four to six weeks) be provided in the US for from three to six professional trainers from the PBDAC and the BDACs in the Governorates.

THE CREDIT COMPONENT

During the course of its stay in Egypt, the Evaluation Team has taken a close and interested look at the manner in which credit is reaching down to the small-scale farmer through the operation of this Project. This has involved discussion sessions with many senior policy and operations officials of the PBDAC, Consultants for the IBRD Farm Mechanization Project, key staff members at participating Village Banks and Project personnel - both Egyptian and American. During our visits to Governorates, Village Bank Loan and accounting files were examined, land title records checked and "on farm" visits made to a number of farmer borrowers to determine on the ground how loan funds were being put to use.

There is no question that at this half-way point in its life, the Project gives clear evidence of being remarkably well received by the farming community and the beneficial effects of its new unified approach toward extension of credit are visible throughout the areas in which it operates. The Evaluation Team concurs with the findings and observations set out in the recent report of Dr. Roy H. Prosterman* that this Project could potentially be a principal and continuing part of AID's agricultural assistance in Egypt during the 1980's.

The Principal Bank for Development and Agricultural Credit (PBDAC) remains the dominant institution and virtually the sole source of farmer oriented credit within the country. In-depth background material on this huge institution and its manifold operations on behalf of government and for itself has been prepared by previous study and research groups and should be readily

* Prosterman, Roy H. and Riedinger, Jeffrey M. - "Memo to: Interested Congressmen / AID / Others Concerned re: Field Observations on U.S. Assistance to Egypt", October 8, 1982.

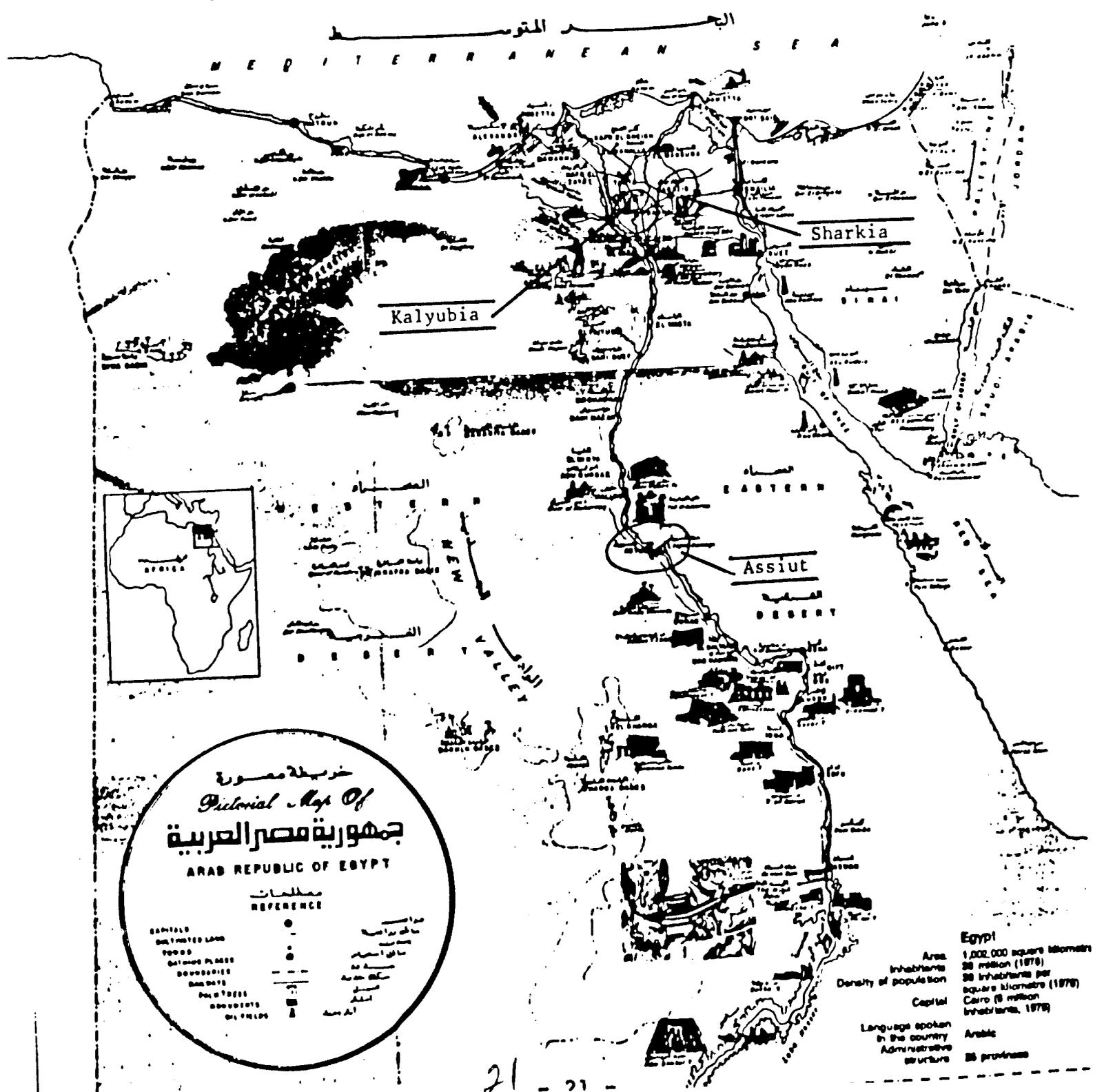
available to interested persons. For the purpose of this evaluation, therefore, the team undertook to obtain relevant information concerning the Bank's present condition, the changes or adjustments which have taken place in its credit operations over the past few years, the growth of savings in the rural areas and the general attitude of the Bank toward this Project. A paper prepared for use of the Evaluators by Mr. Mokhtar Fayeek, Consultant to the Chairman of the Board in Accounting and Finance is attached as an annex to this report. In his paper, Mr. Fayeek points out that by the end of the fiscal year 1980/81, the PBDAC had been able to repay all of the losses which had been accumulated over the years by predecessor organizations and thus is now able to build reserves out of its growing margin of profit. Likewise, a vigorous program for generating savings from the farming areas as well as business and the general public has resulted in a sharp upward trend in that activity. The ability of the Bank to marshal these increased resources makes it more capable of expanding its own credit operations and less dependent upon commercial banks or Central Bank borrowing to accomplish this purpose. The annual report of the PBDAC for fiscal year 1981/82 will be presented to the Bank Board at the end of February, 1983. When that report becomes available to Project Management, it is expected to confirm further growth in the absolute amounts of credit flowing to the farmer through the Village Banks.

From a review of the most recently available reports of the PBDAC, and from observations in the field, it is clear that a rapid expansion of development type credit is taking place. This is especially true of the past two years when lending activities have measurably quickened and outstanding loan volume has increased at a similar pace.

Although PBDAC lending continues to hold largely to the mold of "Prescription Formulas" or lending by direction, there is

BEGINNING	GOVERNORATE		
Year	Kalyubia	Sharkia	Assuit
1981	Kaha Sandanhour Tersa	Kafr Ayoub Ibrahimia Aslougi	Abnoub El Motia Abu Tieg
1982	Aghour Sheblanga Kafr El Arbain	Bordeen Shoubra El Nakhla Mobasher	Hamman Mosha Nikela
1983	Beltan Ekaid Degwa Kafr El Gagar	Hehya Balashone Zankalon	Dewena El Massara Rifa

Source: Project Records



خريطة مصورة
Pictorial Map Of
جمهورية مصر العربية
ARAB REPUBLIC OF EGYPT

معلومات
REFERENCE

CAPITALS ●
 CULTIVATED LAND ■
 ROADS —
 NATIONAL PLACES ○
 GOVERNORATES □
 DAMS ■
 PALM TREES ■
 SOUVENIRS ■
 OIL FIELDS ■

Egypt
 Area 1,002,000 square kilometers
 Inhabitants 58 million (1978)
 Density of population 58 inhabitants per square kilometer (1978)
 Capital Cairo (8 million inhabitants, 1978)
 Language spoken in the country Arabic
 Administrative structure 28 provinces

evidence to indicate that in addition to more realistic loan levels for various programs, the Bank is becoming more flexible in its overall approach and in its willingness to alter or adjust the techniques of extending credit. Indeed, in some of the Village Banks working with the Project, one can sense the blurring of the once sharply drawn lines as between formula and Project type loans.

Table I in Annex G of this report, covering the Project Village Banks within the three Governorates, traces the increase in PBDAC development type (non-government) loans from 1977 through 1982 and shows a comparison with all Project lending during the approximate year and a half of its active life. A second part of that table traces increases in savings during a similar period. Quite clearly the surge in PBDAC loan volume as well as increases in savings coincides with the active implementation of Project related activities. Additionally, the table for the first time in the life of the Project speaks not only to numbers of loans but, most importantly, to the numbers of farmers who are the recipients of those loans and thus receiving services under the Project. Obviously, some activities such as broilers require several lending cycles each year and that process tends to obscure the impact of the Project upon individual farmers. Project Management is urged to adopt or adapt this type of information into its regular data gathering activities.

As stated earlier, there are indications that a few Village Banks are beginning to utilize some Project developed techniques within their own lending pattern. This is an evolutionary process however, and barring a very major breakthrough - such as a successful Project operation in a larger and more concentrated area or over an entire Governorate - it likely could be years before PBDAC will have completely moved away from its present system of making loans. Particularly, the

decentralization of Bank activities, the necessary training of large numbers of financial analysts, accountants and other staff, the proper delegation of authority down through the banking system and the provision of essential support such as equipment, transport and other banking facilities will likely place considerable strain on the ability of the PBDAC to manage. Nevertheless, the Bank has growing resources and is obviously dedicated in the main toward improving its operations and broadening its loan criteria in order to better serve the agricultural community. This, coupled with what the Evaluators found to be a generally constructive attitude toward activities of the Small Farmer Production Project (which remains under its auspices) leads us to the conclusion that the time is ripe for broadening the Project's mandate and using its increasing visibility and stature within Egypt as a sort of catalyst to bring about a more responsive and more effective credit delivery system for Egypt at an earlier time than otherwise would be the case. To this optimistic note, however, must be added a cautionary qualification that if, and when a much expanded Small Farmer Production Project does emerge, it is vital that the necessary management and technical specialists be fully in place. Also, that they be well supported by carefully planned and documented programs with adequate monitoring and reporting systems together with a range of communications facilities. Many of these matters will be addressed in later sections of this report.

The Evaluation Team spent a number of days in each of the three Governorates. In addition to the several other facets of the Project, the Team concentrated upon the effectiveness of the Project in terms of the manner and timeliness in which credit is reaching the farmers and the effects which the use of that credit is having upon their economic welfare. During the course of the evaluation, visits were made to at least two Project related Village Banks in each Governorate. These

Banks were elected at random by the Evaluators, and no advance notice was given of our arrival. Thus, we are satisfied that our visits found those banks in their usual operating pattern and having made no advance preparation for us.

While in the Village Banks, loan records for each of several loans were also selected at random and examined at length in the company of the Bank Manager, the Financial Analyst and in most cases the Bank/Project Accountant. Loan applications, loan documents, financial analyses of medium term loans and other pertinent data were checked along with accounting records and the loan title books maintained by the Bank. In general, we found that loan files were being maintained for each farmer receiving credit under the Project and contained the necessary documentation. Some weaknesses were observed and these were brought to the attention of Project personnel for corrective action. These are house-keeping items which can be put to right through close monitoring and training by Project personnel.

As might be expected in the early mid-life of any complicated and trend setting activity, we found an unevenness between Banks and between Governorates in the manner in which Project programs, procedures and documentation were being processed and handled in the implementation of the Project's stated goals and objectives. Despite this unevenness which entails mainly improvements and adjustments in housekeeping and more "hands on" training of Bank personnel, sound and constructive Project lending appears to be the order of the day. This opinion is buttressed by the fact that loan repayment under the Project has remained rather consistently at the 100% level. Repayment rates on non-project loans have also improved and PBDAC loans made during the past few years show equally dramatic collection results.

The Evaluators are very much impressed with the manner in which Project loan authority has been delegated to the Village Bank Manager and the Loan Committee. Because of this authority, loans are being made quickly to the farmers by local people, and serviced by those same people. This is a distinct plus for the Project and should almost certainly cause PBDAC to move more uniformly in a similar direction. We believe that limits of delegated authority, which may vary somewhat between Village Banks and Governorates, are presently adequate to enable local loan action without referral to higher banking authorities.

Levels of savings are showing upward movement in Project Village Banks as appears to be the case throughout the banking system. The Team tends to feel that, although a bank by bank comparison was not made, increases in Project Village Bank accounts can be somewhat attributed to farmer approval of Project concepts which then fosters a growing confidence in the banking system as a whole.

Several farm inspections were made in each Village Bank selected for study. During these impromptu visits, we did not encounter a single case where a negative finding could be made relative to any inappropriate or unauthorized use of loan funds. Further, based on the hospitality encountered during our discussions with farmers who were recipients of loans and or extension assistance under the Project, the Team sensed that farmers are truly appreciative of services they are receiving through the Project. This feeling is in conformity with the general findings of the Farmer Profile Survey of sixty-four (64) farmers conducted as a part of this evaluation and which is reported in ANNEX A to this report. In that

survey, the majority of farmers claimed to have had problems obtaining credit prior to the SFPP. All, however, indicated that those needs were now being met and were unanimous in their desire to see the Project continue and expand to include more people. More than eighty percent (80%) of those interviewed also said their image of the Village Bank had improved since the Project began and most indicated they would have specific personal loss if it were to end abruptly. The farmers who had borrowed averaged 1.23 loans each. Interestingly, the Project is widely known by farmers as "The American Program" and it is evident that a sizable amount of rural goodwill has been and is being generated by its activities. Looking to the future, however, it will be increasingly important that the PBDAC name and symbol become very closely identified with ongoing Project activities in order to provide a proper and orderly replication over a wider area.

Unlike much of the credit extended by the PBDAC, farmers obtaining credit under SFPP are not being directly subsidized either in the loan lending rate or in the prices paid for goods purchased from loan proceeds. Yet, we did not hear any complaint on this subject from the numbers of farmers who were interviewed by the Team. Thus, we do not feel that the cost of credit or the price of goods is as important to the farmer as is the availability of money or goods at the time and in the amount necessary to maximize his productive capacity. Certainly, the cost of credit is not the single most expensive part of his operation.

Based upon our experience, we believe the farmer can and will pay the market rate for money and goods, provided these essential items are available to him in a timely

fashion. The Team is of the opinion that given the apparent high degree of liquidity within the financial markets in Egypt and the relatively low cost of capital that this is a propitious time to eliminate interest subsidies to agriculture, including small farmers. This would be an important and visible step in the process of coming to grips with the complex of subsidies which presently distort the Egyptian agricultural sector.

During their visits to Village Banks, the Evaluators, with a very few cheerful exceptions, did not observe any significant change or improvement in the inadequate and sometimes deplorable physical environment described in the initial Project Paper. Working space is limited and although Project operations are generally placed in the most suitable areas possible, improvement might still be attempted. In general, Project loan files are being maintained in the filing cabinets provided for the purpose. These files, however, appear to be inferior in quality of construction and in many cases are not holding up well against the rigorous treatment to which they are daily being subjected. Also, many steel desks and chairs were received by the banks in already damaged condition with their effective working life appreciably diminished. The team offers no solution for such problems except to suggest that construction of new banking facilities proceed as quickly as possible. In our eyes, the best physical change has been provision of motorcycle transport to financial analysts and extension specialists assigned to the Project. This increased mobility has greatly enhanced the speed and effectiveness with which Project work is accomplished.

The Project Agreement originally contemplated that renovation of existing bank facilities be undertaken as a

means of promoting employee morale and improving the image of the Bank. A later determination to go for new construction rather than the renovation resulted from the fact that most bank structures are rented and there grew an unwillingness to expend funds to improve another owner's property. Thus, there remains today a rather unsightly group of Project Village Banks. The Team believes the idea of providing better identification and an improved image for the village bank remains valid. With a relatively small expenditure of funds and labor, we feel the Project banks could at least receive a fresh coat of paint, both interior and exterior, together with symbol identification. This, coupled with distribution of Project caps now becoming available and provision of an appropriately marked windbreaker for the Branch Manager and Project personnel, could go a long way toward establishing the "Image" originally contemplated in the Project Paper.

The plan for yearly expansion of Village Banks under the Project is proceeding on schedule. At the time of this Evaluation, each Governorate had six banks actively participating in the program with three new banks for 1983 already selected and in the early stages of training. Thus a total of twenty-seven banks will soon be involved in Project lending.

According to the records of the Project, and stemming from the basic Project Agreement, it was contemplated that in mounting the credit operations, the principal focus for such an activity would be placed on "cooperating farmer groups". In addition to providing such groups with effective farm extension service, the group as individuals were to be provided with supplemental short term credit

to cover costs of higher input levels, improved seeds and other technological changes. Unlike the credit allotment received by the farmer through PBDAC operations, the cooperating farmer was not offered this supplemental credit at subsidized interest rates, nor was he provided with additional input material at other than currently prevailing market rates. Thus, the groundwork was laid to determine whether or not such farmers through use of improved technology and with expanded credit facilities could improve their economic condition at a greater than normal rate. The results of improved technology made available to these groups is discussed elsewhere in this report, but on balance, it appears to the Team that generally beneficial results have accrued. From the standpoint of credit extended so far to the cooperating farmers, it seems clear that this group has not grown in number or in the amount of credit used at anywhere near the rate of other farmer borrowers - participating farmers - eligible to borrow under Project criteria. The reasons for this condition are obscure, but the Evaluators tend presently to the view that the original conclusions relative to critical need in the specific area of active short term credit may have been overstated, or, more probably that a more flexible lending posture by PBDAC has worked toward more adequate credit levels for crop input costs. In any event, the thrust of the credit functions within the Project both in number and amount of loans has moved sharply in the direction of the numerically far greater number of participating farmers. The Evaluators note this changed situation and suggest that at an appropriate time it should be documented on the record.

As the Team pursued its work of evaluation, it became quite clear that the SFPP has moved significantly

beyond the pilot stage and is rapidly developing a character and style uniquely its own. That being so, it is timely to move strongly now to bring more uniformity into operations and to strengthen those areas where evident weaknesses appear to exist. With regard to operations, the Evaluators are aware that because of the pilot type approach in the Project, credit specialists in each Governorate were requested to design and implement their own format for credit extension and reporting within the context of broad general guidelines which had been established. This approach has probably been useful to this point in Project life, but with the rapid changes now taking place and the growing demands that are being placed upon existing systems, the time has clearly come when a singular system for credit should be installed for the entire Project, so as to bring more consistency and reliability to that vital function.

Likewise, the Team adds its voice to those who believe that an accounting system encompassing major changes and improvements over the present PBDAC system be installed throughout all the levels of the Banks at the earliest possible time.

In considering the need for more uniform credit and operations policies and procedures for the Project and participating Village Banks, the Team is aware of the strengths and skills of the present Project team. Given those skills and an abundance of time, a manual covering this complicated subject could be prepared in-house. We believe, however, that the credit team is very fully occupied with essential day to day activities. It is for this reason that we strongly suggest the Project engage a systems specialist for a four to six month's period to develop a

credit and operations manual to regularize and guide all Project lending activities. The specialist would, of course, work closely with the Project credit team so as to insure that their knowledge and accumulated experience in Egypt would be properly reflected in his own work. We believe the proper type of person for this job could be found in the Farm Credit System in the United States. In that regard, it should be noted that Team members often-times found it difficult to obtain or develop a consistent body of data for use in the evaluation. This essentially is the result of differing styles of reporting by the Governorates and in some cases different interpretations of what was required in the reporting process. Information can be obtained, but it is difficult to come by as it is presently being accumulated and stored. SFPP management is aware of this problem and is moving toward correction and improvement. The systems specialist can be very useful in this area of operations.

As for an improved accounting system, Dr. M. A. Salam El Maazawy, Accounting Consultant to the PBDAC and SFPP has recently completed an exhaustive evaluation of Village Bank accounting and savings procedures. This work is under intensive study now by concerned officials. The Evaluators underscore their concern for early implementation of an improved accounting system for Village Banks and suggest that Project Village Banks might well be utilized in any testing stage of the system prior to its placement in the banks on a broad scale.

Attached to this report is a summary schedule prepared from SFPP records indicating that from the inception of the Project through the end of December, 1982 some 5,842 loans totaling 5,788,863 Egyptian Pounds have been

disbursed to farmer borrowers under Project lending criteria. Of this total, 3,072 short term loan funds have been made for 2,805,375 LE; 2,761 medium term loans for 2,969,138 LE and 9 long term loans in the amount of 14,350 LE. Table I, ANNEX G indicates that 4,785 individual farmers have benefited from the use of credit which in a great many instances would not have been available to them from any other source. The Team was also able to compile from month by month Project records, Table II, ANNEX G, which we feel is a reasonably accurate breakout of the lending levels as between cooperating and participating borrowers. Also a more detailed report on loans made by type within the three Governorates - Table III, ANNEX G - is attached.

Not specifically referenced in Table II, ANNEX G is an interesting group of loans made to so called "Landless Farmers" meaning those who neither own, rent or lease land but who do live in the farming areas and rely on farm related work for their livelihood. Medium term loans for such people fall within the purview of the Project and are considered by the Evaluators to be a valid target group for non-collateral type lending. Different interpretation as between Governorate officials has tempered growth in this area, but there is little doubt that judicious lending through the Project could open up opportunities for many impoverished members of the rural community.

From the data showing loans by type, one can quite readily determine the wide ranging need for credit of all types and the relative demand within the individual areas of need. Over all, crop production requirements appear insignificant when compared to other areas such as broiler

chicken operations, cattle and sheep feeding and farm equipment. Second only to broiler chicken operations in amount of loan volume and easily in first place as to numbers of loans is that category covering purchase of buffalos and cows for the production of milk and its related products. Currently there is a lively discussion going on amongst interested parties as to whether income derived from farmer ownership of a native milk buffalo and its resulting calves provides sufficient income to retire the loan used for its purchase in an orderly manner. The Evaluators take no position in this debate but merely point out that the Project record for such loans indicates no loan delinquency and a 100% repayment of loans when due. Beyond that there should be little reason to doubt that the diet of the owning farm family has been improved in the process. This popular program has been discontinued because the Project could not sustain the drain on its credit resources and the action has caused some discontent among expectant borrowers.

The point of the foregoing discussion is to underline a most important original precept of this Project which was to respond to the credit demand of the individual farmer in so far as possible by working from his perception of need and his desire for personal change or improvement in his own operation rather than from a prescribed and sharply defined credit program extending downward from a central authority. It is a fact that the new approach toward lending as practiced in this Project has struck a strong chord in the rural areas in which Project work is being done. There is a pent up demand from thousands of farmers who previously have not had access to institutional type credit, and as stated in the Prosterman Report "has so tapped Egypt's agricultural potential that replication of the Project and its results nationwide could transform Egypt."

The sober side of this dynamic undertaking is that current funds plus those monies allocated for credit over the remaining life of the Project are thought by Project officials to be insufficient to adequately cover even the present level of loan activity. Nor is it reasonable to expect that the Project could be easily replicated across the nation even if financing of the magnitude required could be made available. Thus even with the present small size of this undertaking, Project Directors are presently in the position of having to restrain desirable and popular lending programs and are therefore rationing credit as they make value judgments as to which type of credit should be given the most weight in the utilization of scarce resources. This increases the danger of future lending becoming a formula or prescription type activity, approximately 180 degrees different than Project intent. Continuity of this program is considered by the Evaluators to be vital, and therefore future funding of the Project takes on added importance at this time.

As mentioned earlier, some 5,788,863 Egyptian Pounds have already been expended in the credit program. This money has been derived from regular drawdown of both U.S. Dollars of LE and GOE LE including funds added for contingency and inflation. USAID totals of drawdown at the time of this evaluation amounted to approximately 5,632,541 LE and that of the GOE approximately 3,328,000 LE. Of the USAID funds, 3,337,541 LE was received in the early part of February. This money will be used for lending, and Project officials figure they can make it last until about August 1983, providing the rationing process is continued. In August the final 1,500,000 LE of GOE funding is scheduled for release which can carry the Project for about four months. Finally, the last USAID money of

approximately 2,140,000 LE should be available in November 1983 to provide an additional six months of lending, or until mid-1984. Thereafter the Project will be restricted in the credit functions to the use of only such funds as become available from repayment of short term loans. Evaluators estimate that this repayment could contribute as much as 3,300,000 LE annually by the middle of 1984, which might carry a restricted program for about six to seven months. Obviously this means a future severe cut-back would have to be made in credit extension. A small amount of relief could be obtained if the Project were also able to re-use repayment from medium and long term loans. At present, under the Project Agreement, such repayments are to be returned to the PBDAC for integration into their regular bank operation. We believe a letter from PBDAC authorizing Project re-use of these monies would clarify the situation pending a new or extended Project Agreement. There are several other ways in which small, temporary relief from rapidly approaching shortage can be obtained, and these will be covered at a later point in our report.

The most pressing problem at the moment, we believe, is for proper authorities to deal quickly with the question as to whether the Project is worthy of continuation and if it is, to begin planning now for acquisition and allocation of fund resources adequate to maximize Project impact in its areas of operation.

The Evaluation Team believes the Project should be extended and continued and that it should be funded in sufficient depth to allow for intensive credit operations. Therefore, we have eliminated any concept which would simply allow Project type lending to gradually run down

and disappear from the Egyptian scene. Further, we do not sense any strong moves by PBDAC to move fully into this area of need. Thus the need exists for further demonstration of the Project approach to extension of credit.

Obviously, there are numerous ways to approach the subject of expansion and determine the make-up and size of funding requirements. The Team does not believe it would be fruitful for it to propose a variety of possibilities and then try to relate timing and funding to them. Therefore, for purposes of this report, we have made a few assumptions and have accepted as given, the opinions of SFIP officials as to the amount of financing required over a three year period by Project Village Banks and of the specific area in which expansion could most successfully take place.

Team assumptions are that the life of the Project will be extended to the end of 1988 and that during the course of those years normal expansion of Project Village Banks will continue (3 Village Banks for each of three Governorates or a total of nine Village Banks per year). Also during the period, expansion across an entire Governorate will take place. We further assume that the life of the Project will terminate at the end of 1988 and that funding of all Project Village Banks will have been completed by that time.

We have accepted as given that in order to carry out an intensive credit program, each Project Village Bank requires 2,800,000 LE disbursed over a three year period. Finally, we have accepted Project rationale that Assiut Governorate is the area in which high impact expansion should first occur.

Table V of ANNEX G indicates the manner in which we believe expansion would be most likely to occur, that is, for the complete penetration of Assiut to begin in 1985. The timing of this move could be advanced or delayed by a year without altering the total amount of funding required. Beyond that, normal yearly expansion of 3 Village Banks within each Project Governorate would continue so that by the end of the Project, all forty-eight (48) Village Banks of Assiut Governorate and eighteen (18) Village Banks in both Sharkia and Kalyubia Governorates would have been fully funded. Financial resources thus required over the entire life of the Project would total 235,2000,000 LE. Funding already authorized in the existing Project Agreement amounts to 11,036,000 LE leaving 224,164,000 LE of new money requirement. These funds would be utilized to complete financing of the existing twenty-seven (27) Project Village Banks and to fully fund those new banks which would be coming on stream beginning in 1984. It seems appropriate to us that at the time of entering into new financial undertakings in this Project, that the cost of new funding be shared equally between the two cooperating countries.

Within the context of an expansion such as is proposed, we believe this activity should no longer be termed a pilot project but rather a "demonstration project". This, we believe would more closely tie in with the sectoral approach toward development now being used by AID.

The Team also stresses its firm view that no significant expansion should take place until SFPP has developed and is ready to implement a new uniform system for the entire credit function together with well understood uniform

procedures for monitoring and reporting on Project operations. As mentioned, these systems and procedures should all be manualized with care being taken that any change, either in policy or procedure, be handled through manual revision to insure consistency and accuracy. Likewise, an improved system for accounting and management information should have already been installed in Project Village Banks or be ready for implementation concurrently with expansion. It is vital as well, that training of new Village Bank personnel be well advanced by the time expansion takes place and that personnel of present Project Village Banks be re-trained in all revised procedures as well as in the monitoring and reporting functions.

Implementation of the new "demonstration" period for this Project, with termination by the end of 1988, should provide the time and exposure of Project methods and results for GOE and PBDAC to determine the desirability and feasibility of replicating the system nationwide. At that time, funds for further expansion should be fully generated internally.

When considering other funding sources for SFPP, for both temporary relief of shortages and for the longer haul, the Evaluators feel that several possibilities might be explored as possible alternatives or additions to USAID/GOE support. We have already mentioned the recycling of medium and long term Project loan repayments in addition to re-use of short term loan repayments already authorized. Beyond that, it might be possible to realize beneficial results from temporary transfer of funds allocated to the Project for use in construction activity to short term credit loans. Also, it could be useful to discuss with PBDAC the favorable reaction from the farm community were

the Bank to agree that savings generated by Project Village Banks could be re-used by that bank to increase its short term lending.

From observations and discussions within the financial community of Cairo, the Team tends to feel that a large amount of capital is presently available through commercial banks at competitive interest rates. It is quite possible, we believe, that PBDAC with its large revolving pool of working capital and ready access to the commercial markets could tap this source of liquidity and obtain funds for subsequent lending through SFPP with interest rates to the farmers possibly no greater than currently charged by the Project.

Finally, the Team suggests to SFPP management that they explore with USAID and the Agricultural Counselor, U.S. Embassy, the prospects and ramifications for developing a project relationship which would allow yearly access to the credit resources available under the PL 480 Title III Program.

During our stay in Egypt, the Team has become increasingly aware that lack of essential supporting staff in the Cairo office of SFPP is placing increasing pressure on senior officials of the Project. As Project activities have gathered momentum over the past eighteen (18) months, ever heavier burdens for planning, direction and administration have been falling on the Director and Co-Director of the Project. Although the Director does have the services of several staff who conduct field follow-up work, he is badly in need of an operating Deputy to relieve him of some workload and with the capacity to act during his absence. A strong background in banking and credit would

be useful in this individual. Likewise, the Director and the Project would be well served by the addition to staff of a senior Agricultural Economist, at least on a part time basis.

The Co-Director of SFPP is Team Leader of the ACDI Contract group and concurrently Senior Credit Advisor for the Project. Currently, he is very heavily occupied with the mass of administrative detail which must be processed daily in order to keep Project operations running smoothly. The Project needs urgently to employ a strong American Administrative Assistant to relieve the Co-Director from responsibility for day to day administrative functions. This would then enable him to spend more time on credit work in the field, maintain a closer working relationship with senior officials of PBDAC, appropriate staff of USAID and others, and carry out the major planning effort that must precede Project expansion. When an Administrative Assistant has become established on the job, we would expect the Co-Director to establish an office in the PBDAC in order to promote an expanding level of coordination between SFPP and PBDAC credit operations.

In the event this Project is extended and its scope materially broadened, both Egyptian and American staff would need to be augmented with several more technical specialists, as well as secretarial and clerical staff. We believe the Project Director would need two deputies, one for Farm Management and one for Credit, through whom work would flow under his overall direction. We also suggest that a group of from 25 to 50 talented recent college graduates should be employed by the PBDAC for

placement as on-the-job trainees in the Governorate. With appropriate training, these individuals could provide a pool of qualified personnel needed in conjunction with the SFPP expansion to involve more Village Banks. At least one capable Financial Analyst (Agricultural Loan Officer) will be needed in each new Village Bank. Likewise, trained Farm Management Extension Agents will be needed and it is possible that some of these could be obtained through the on-the-job training of recent college graduates.

SFPP American contract personnel would need to be increased in at least the following disciplines:

ADDITIONAL AMERICAN CONTRACT PERSONNEL
NEEDED FOR AN EXPANDED SFPP

CAIRO HEADQUARTERS

Administrative Assistant
American Secretary
Auditor/Analyst (Credit)
Training Assistant
Agricultural Economist

ASSIUT GOVERNORATE*

Credit Specialist (2)
Farm Management Specialist (2)

In order to accommodate an enlarged staff, more spacious office quarters will be needed including a conference room.

As stated earlier in this report, the Evaluation Team held discussions with the consulting team working within PBDAC under an IBRD Farm Mechanization Loan Project. Our primary purpose for these discussions was to determine the state of development of a planned accounting system for Village Banks and of a program for computerization of some Bank operations. We understand that both the accounting and computer systems are still in a very preliminary stage

* These Specialists should receive two or more months of intensive Arabic language instruction prior to assignment in the Governorate in the interest of developing an S-2 speaking capability as soon as possible.

and the consulting contract is scheduled to expire in October. Likewise, we understand that the credit component of the loan does not fall under the purview of the consulting team, but is handled directly by PBDAC. It does not appear that the IBRD or SFPP activities are likely to over-lap or come into conflict. Nevertheless, we encourage SFPP officials to periodically track the progress of the IBRD program.

THE FARM MANAGEMENT COMPONENT

The overall objective of the Project is increased income and well being of farm families. This was to be accomplished through increased productivity at the farm level. It was assumed that this increased productivity would lead to greater incomes for small farmers. Farm management practices in Egypt are generally good and average yields of Egyptian crops are on a level with farmers in America and Europe. However, given the generally superior soils and climate in Egypt, there is potential for substantial improvements. The feasibility study for this Project estimated that Egyptian agricultural research institutes have developed or tested technical production practices that could increase Egyptian crop yields 25 to 35 percent if applied at the farm level.

Although yield increasing technology is available in the Egyptian research centers, institutes and universities, the dissemination of this information and use of the improved practices has been inadequate at the farm level. Although the Principal Bank is the major supplier of inputs to the small farmer, the PBDAC historically has not provided farm management guidance. Also there were no linkages or coordination with the Extension Service at the Village Bank level. Furthermore, PBDAC did not assist the farmer in financial planning and management or evaluating proposed farm ventures.

Increased availability of credit for short, medium and long term loans under the Project was to enable farmers in the Project villages to apply improved management techniques on their farms. Assistance in identifying and implementing technological improvements was to be provided

by the Village Bank financial analyst and the extension agent, working under the guidance of the expatriate farm management technical advisor and his counterpart. The Project was to make use of technologies that had been tested in Egypt, those that were developed during the Project, or others that were believed to offer a good chance of increasing farmer income, based on experiences elsewhere. Egyptian officials supported the view that a wide range of proven techniques was available and would be adopted by farmers once the barrier of a lack of information and credit was removed.

The Project was to establish closer working relations between the Extension Service and the Village Bank. The PBDAC was to assign an agricultural financial analyst to the staff of each Village Bank. The financial analyst, along with the Village Bank manager, an extension agent and an agricultural researcher were to form a village farm management team according to the Project Paper. Initially, the principal focus for the team's activities was to be the "cooperating farmer groups". The cooperating farmers were to be assisted in increasing their output through the use of higher input levels, improved seeds and other technological changes. The results obtained by the cooperating farmers were to be extended to others by field days and informal contacts. The initial 9 groups were to be expanded to form a total of 162 groups by the end of the Project (or more, if feasible).

Because the project was to be a pilot effort, evaluation was to play a particularly important part. Baseline data on the Bank and farmers was to be collected and periodic evaluations were to be made to determine project effectiveness.

Plans

Farm Management work plans and activities were developed and approved by the representatives of GOE, the contractor and USAID (see ANNEX N). The plan was to start out in 3 village bank areas in each Governorate the first year. This would be increased to 6 village bank areas in the second year and to 9 village bank areas the third year. In addition to selecting cooperating farmer groups, it would be necessary to establish farm management teams and extension programs in the initial village banks and for new village banks as they were brought into the Project.

The initial activity of the pilot project was to be the formation of groups of cooperating farmers (25 farmers in each group) who would receive credit and farm management assistance. The initial 2 year schedule for bringing cooperating farmers into the program was as follows:

<u>Date</u>	<u>Cooperating Farmers Total Number</u>	<u>Cooperating Farmers Per Governorate</u>	<u>Village Banks Per Gov- ernorate</u>
Jan/81	225	75	3
Jan/82	675	225	6
Jan/83	1350	450	9

Each village bank was to form a village farm management team. This team was to help the cooperating farmer in financial planning, farm management, evaluation of proposed farm ventures and financing for inputs and enterprises. Each Governorate was to establish 3 farm management teams by January 1981, 6 teams by January 1982, and 9 teams by January 1983.

The transfer of farm management information through the local extension agents was to be a key element in the farm management program. The objective was to establish an effective extension program in each of the Project village bank areas. The plan called for the establishment of three extension programs in each governorate by December 1981. A total of 9 extension programs were to be in operation by December 1983.

The primary activity planned was the transfer of agricultural technology to the farmer including assistance regarding soil analysis, new production techniques and equipment, pest/disease/weed control, irrigation techniques, and the use of new and improved seeds and fertilizers. A related activity was to be the review and evaluation of farm management practices. An ongoing activity was to help with the development of improved coordination between agricultural research, extension, PBDAC and the small farmer. This was viewed as necessary to facilitate the transfer of known technology from research institutes to the farmers fields. Another activity was the implementation in each village bank of uniform operational systems of obtaining the small farmers cost of production, yield and marketing data. Also, a farm record book system was to be introduced and maintained in each Project village bank.

Farm Management Output

The evaluators visited the three governorates to observe project operations, project outputs and obtain evidence of project impacts. Evaluation team members spent 3 to 5 days in each governorate. Project personnel were interviewed including American and Egyptian farm management

counterparts, extension agents and farmers. Also extensive field visits were made to observe crop and animal production and applications of new technology. Project files were reviewed at the governorate level and questionnaires were used to determine the extent to which improved farm practices were used by cooperating and other farmers. Crop production information was analyzed for evidence of productivity increases.

The evaluation team was favorably impressed with the farm management system that had been established in the three governorates during the two year period, a relatively short time for such institutional development. There was evidence of improved coordination among research, extension, PBDAC and the farmer. Groups of cooperating farmers had been formed and there was clear evidence that improved farm management practices were being adopted. There were indications that yields of major crops were increasing. The evaluators found that there is a need to strengthen and accelerate the development of a system for collection and analysis of data on yields, costs, prices and related information necessary for improved farm management and for evaluation of project impacts and progress.

Establishment of Cooperating Farmer Groups

The establishment of cooperating farmer groups to test and demonstrate the production increasing potential of increased credit and inputs along with new techniques was a key in the design of this Project. Criteria for selecting cooperating farmers were developed by SFPP staff (see ANNEX K, PART III). A basic criterion was that a cooperating farmer must not own or operate more than 5 feddans of cultivable land. However, the SFPP

made the decision that, on an experimental basis, a farmer with more than 5 feddans in a group of cooperating farmers operating contiguous land, cultivated and cropped as one unit or block would be eligible. Also a cooperating farmer was to be one who had demonstrated successful management capability and satisfactory financial capacity.

The original plan was to select 225 cooperating farmers (9 groups of 25 farmers each) by January 1981, 675 cooperating farmers (27 groups of 25 each) by January 1982, and 1,350 cooperating farmers (54 groups of 25 each) by January 1983. The selection and number of cooperating farmers continued according to the plan through January 1982. However, during 1982 the SFPP decided to accelerate the program beyond the target number of cooperating farmers and provide farm management assistance to additional farmers who were willing to consolidate their holdings. We understand USAID concurred with this approach.

Emphasis was given to selecting groups of farmers who have contiguous land and are willing to cultivate the same crop during a season as a "block". (Land preparation is done at the same time for the farmers in a given block. Planting may or may not be done together. After planting, the farmers usually cultivate and harvest their individual plots within the block.) Typically, blocks would be in the range of 10 to 15 feddans with 15 to 18 farmers.

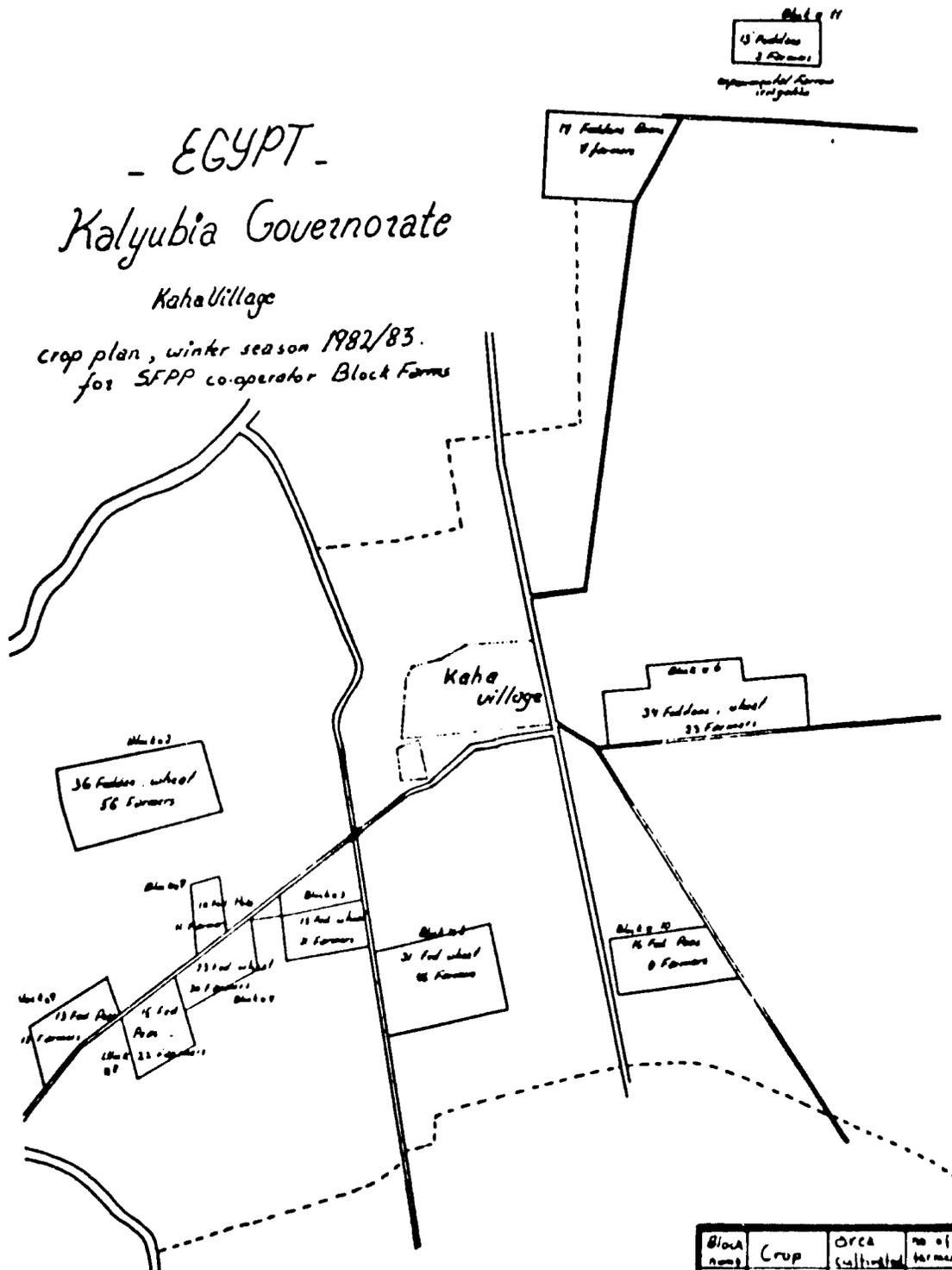
Although the number of farmers receiving farm management assistance increased substantially by the use of block farming, only the original groups of cooperating farmers were identified as cooperating farmers in the credit

- EGYPT -

Kalyubia Governorate

Kaha Village

crop plan, winter season 1982/83.
for SFPP co-operator Block Farms



Block num)	Crop	Area cultivated	no of farmers
1	wheat	31 Fed	46
2	.	36 Fed	56
3	.	13 Fed	21
4	.	23 Fed	30
5	beans	7 Fed	7
6	wheat	34 Fed	23
7	peas	10 Fed	11
8	.	15 Fed	22
9	.	13 Fed	12
10	.	16 Fed	8
11	experim	13 Fed	3

reports. The Evaluators compiled information from the Governorates and estimated the number of farmers receiving SFPP farm management assistance, including blocks, as follows:

	<u>First Season</u> (Summer 1981)	<u>Second Season</u> (Winter 1981)	<u>Third Season</u> (Summer 1982)	<u>Fourth Season</u> (Winter 1982)
Kalyubia	75	119	225	1,920
Sharkia	135	290	491	1,374
Assiut	75	145	260	1,291
TOTAL	285	554	976	4,585

The Evaluators agree there are distinct advantages of using the block farming concept in working with small farmers, many of whom have less than 12 kerats (one-half feddan). Technical and economic efficiencies are realized when large consolidated areas are cultivated as a single unit. Also, it is easier for extension farm management personnel to provide services to a group of farmers located in the same area, rather than trying to reach the same number of farmers scattered over a large geographical area.

The number of farmers receiving intensive farm management assistance is three to four times the number expected. The Project Paper anticipated expansion beyond the target number of farmers if feasible. The Evaluators are of the opinion that the present number of farmers is satisfactory and that there have been no adverse results from expanding beyond the targeted number of cooperating farmers. In essence, the program has changed from a pilot project to a demonstration project.

The Project was originally designed to be an intensive rather than extensive one. The objective was not to

reach as many farmers as possible with a given amount of resources, but rather to give a small target group "unlimited" resources to see what the income producing effects would be. We believe the Project should be expanded and replicated, but only with adequate resources. In any event, the rate of expansion should not out-pace the availability of credit or farm management resources.

Participating Farmers

The Evaluation Team estimated that about 4,585 farmers are receiving intensive farm management assistance. In addition, a large number of participating farmers are involved in the SFPP. The original intention was that participating farmers would receive short, medium and long term loans based on an evaluation of their loan applications but would not receive individual farm management assistance. Participating farmers could not have more than five (5) feddans. (See ANNEX K, Part III)

The definition of participating farmer has evolved. Now, we understand that participating farmers can receive farm management assistance if they request it. Also, technical experts from the Ministry of Agriculture in Cairo and the Governorate universities make follow-up visits to participating farmers who have livestock loans, particularly those with poultry, sheep and bees. The idea of farm management assistance for crops upon request, and expert assistance on specialized or improved livestock enterprises on a more or less continuing basis for participating farmers seems to be working and the norm in each of the Governorates.

The majority of the Project's loan portfolio is going to

participating farmers. Most loan funds for participating farmers are used for livestock enterprises, primarily broilers and water buffalo. Thus, the present involvement with the SFPP participating farmers as measured by loan volume is primarily on the livestock side. We recognize that most participating farmers have livestock or poultry and that some technical supervision and follow-up of enterprises is necessary. To the best of our knowledge, the present system of visits by experts is satisfactory. However, since the bulk of loan funds is going to livestock, it may be wise to consider assigning a livestock specialist to the village farm management team. If a livestock specialist is added to the village team, we recommend that farm management assistance to the participating farmers be directed primarily toward livestock improvement and that farm management assistance on crops be provided if requested by the farmer.

Since the beginning of the Project the monthly credit reports recorded the number of cooperating and participating farmers receiving SFPP loans. However, the basis for reporting on loans to cooperating farmers is the original small group of cooperating farmers and does not include the block farmers unless they were in the original group. The numbers of farmers receiving farm management assistance has not been reported systematically or on a consolidated basis by the farm management team. At the time of this writing, we understand decisions are being made to implement a reporting system which more accurately reflects the number of farmers receiving various types and levels of credit and farm management assistance. Whatever system is used, there is a need for the tracking of a discrete group of SFPP farmers in order to facilitate the measurement and evaluation of Project progress.

Extension Program

Available evidence indicates that a viable and effective extension program is in effect in each of the three Governorates. The programs were established as anticipated in the plan of work. Extension programs were operational in six village banks in each Governorate. Three of these had been in operation approximately two years and three had been operating one year or less. While we were in Assiut, extension personnel were being trained for the three new Village Bank areas which had been added this year.

Originally it was intended that there be one extension agent and one agricultural researcher assigned to the village farm management team, along with the financial analyst. This was to facilitate close coordination between credit, research and extension. We understand that the Ministry of Agriculture has assigned 54 positions to the extension/research program as follows:

		<u>Extension</u>	<u>Research</u>
Kalyubia	6 "old" Banks	6	6
	3 "new" Banks	3	3
Assiut	6 "old" Banks	6	6
	3 "new" Banks	3	3
Sharkia	6 "old" Banks	6	6
	3 "new" Banks	3	3
TOTAL		27	27

The research position on the village farm management team is ambiguous. We understand that only about four professional agricultural researchers were assigned and many of the remaining research positions were filled by the local manager of the Agricultural Cooperative Society. The

Cooperative Managers are MOA employees who perform other duties and are often assigned to the Project on a half-time basis.

The original concept was that the agricultural researcher position would provide a channel for applying research findings at the field level or that research would be conducted in farmers fields. It is our understanding from Project personnel that the "researcher" is now considered to be an extension agent and the duties of both of them is extension work. There should be clarification regarding the research position. Should there be two extension agents for each Bank, or should there be one extension agent and one researcher? If the research position is retained, what should the duties be?

About 60 percent of the extension agents had Bachelor of Science degrees in agriculture. Additionally, extension agents received substantial training from Project staff, including courses in livestock production, vegetables, calculators and mechanization (see ANNEX A, PART I). About 60 percent of the extension agents interviewed had worked on the Project for two years. The rest had been on the Project one year or less. The extension agents are carefully screened before being assigned to the Project. Some extension agents have been replaced for not performing at a sufficiently high level.

It appears that each extension agent serves between 200 and 250 families. It is not clear how the work load is distributed between the full time extension agent and the part-time research/extension agent. In some cases the research/extension agent works almost full time in extension, in other cases, considerably less.

The frequency of agents visits to farmers varies. It appears that agents visit farmers at least two or three times a month and probably many times more. Often an agent meets with farmers in group meetings for one-half to one hour. He may also visit with individual farmers for fifteen minutes each. Agents probably visit 20 to 25 farmers or more per day in one manner or another.

The Evaluators are of the opinion that the Project level of extension assistance can be replicated if similar support and training is provided. There are many trained agricultural graduates in Egypt who could be effective extension agents if given appropriate training and follow-up by Project staff. However, it is essential that these be new positions and new people should be brought in rather than assigning additional duties and responsibilities to MOA personnel who are already in the area. Also agents must be assigned on a full-time basis. We believe that the cost of providing an effective extension program would be more than offset by the value of production gains at the farm level.

In the past, extension agents directed and enforced government prescribed cropping patterns and quotas. Consequently, farmers' attitudes toward extension agents were generally unfavorable. An initial survey of cooperating farmers in Kalyubia at the beginning of the Project showed that three quarters of the farmers disapproved of the historical role extension and research officers had played in their daily lives. At the time of the mid-term evaluation it was refreshing to find that nearly all farmers interviewed expressed approval of the extension agents.

The farmers interviewed were satisfied that the visits of extension agents under the SFPP had been "very helpful" as more than eighty percent expressed this positive view. Farmers were also pleased when extension agents visited them frequently and particularly when they were accompanied to the farm by technical specialists and scientists from the Ministry of Agriculture or the University. All but four farmers preferred the new or newly trained agent over the agent(s) they had known in the past and they gave good reasons including, "He has more knowledge."

Coordination and Cooperation among Agriculture Research, Extension, PBDAC and the Small Farmer

A primary focus of the Project was to improve the linkage between research, extension and the PBDAC so that cooperating farmers could benefit without undue delay from the use of adopted farm management technology. A major assumption underlying this objective was that new and improved technologies exist that can be applied by the operators of small farms. If these technologies did exist, then it was a matter of transferring this information to the farmer. This required close working relationships among the various groups involved including researchers, extension people and PBDAC staff. Thus the challenge to the SFPP was to mobilize and motivate various institutions toward getting the technology and research results applied in the farmer's field.

On the basis of our visits to the Governorates and to the farmers fields, we were convinced that there is effective coordination among research, extension, and PBDAC. Technology is being transferred and adopted by small farmers in the three Governorates. The Evaluators were particularly

impressed with the program under which technical experts and researchers from the Ministry of Agriculture and the governorate universities visited each Governorate on a regular basis several times a month. We feel that SFPP has been particularly effective in tapping a fertile reservoir of technology which was developed by Egyptian researchers during the last several decades. A key to this successful effort is that the present SFPP Director previously held important positions in the Ministry of Agriculture and is well acquainted with the research organizations, the managers and the researchers. We hope that this coordination and communication will continue at the present high level.

A number of factors were involved in getting the researchers to the field. The fact that the Project provided transportation and that the experts received incentive payments for the days they visited Project farmers and staff should not be overlooked. During the course of visits to the Governorates, the Evaluators crossed paths with several of the experts including a bee expert, a veterinarian, and a vegetable expert. On occasion, we rode with several of the experts to Zagazig and had opportunities to visit with them about the roles they are playing in bringing technology to the villages. The experts worked in concert with the extension program at the Governorate level through the SFPP staff and with the extension agents at the Village Bank level. Most often extension agents accompanied the experts to the farmers' fields where they gave advice on pest control, cultural practices and other technologies. Interviews with farmers showed that farmers were favorably disposed toward the experts. The experts also worked with extension agents as a group.

As previously discussed, the original concept was to have researchers assigned to the farm management team at the Village Bank level. It appears that this avenue for transferring research to farmers has not been as effective as anticipated. The research position at the Village Bank level has not been fully utilized as intended. The evidence indicates that bringing in high level agricultural researchers or experts to the Project on periodic visits is an effective way of facilitating the flow of research findings to the farm level. Whether this type of support by research experts can be replicated on a larger scale is a question that the evaluators did not address. We think it will need to be addressed in conjunction with possible expansion of the Project.

Coordination between extension and credit was primarily at the Village Bank level. The financial analyst was responsible for taking the loan application and for developing projected cost and income statements in support of loan applications. Often the extension agent provided technical information needed by the financial analyst for loan analysis. Extension agents also refer farmers to the financial analyst for loans.

Use of Improved Agricultural Practices by Small Farmers

The goal of an effective extension/farm management system is for farmers to use and adopt yield increasing, or cost reducing technology. Specific areas that the farm management team worked with farmers on included soil analyses, new production techniques and equipment, marketing, pest/disease/weed control, irrigation techniques, fertilizers, and new crop and animal enterprises.

According to the farmer interviews, the majority of the farmers had responded positively to the extension program. Nearly ninety percent said that they had changed their ways of farming because of the program and more than 45 percent of all farmers interviewed said these changes greatly helped their farming operation.

To obtain more details on the extent to which farming practices have been extended and adopted, the Evaluators asked the farm management team in each Governorate to list specific improved practices which the SFPP had introduced and/or encouraged along with the number of cooperating, participating and other farmers using such practices. The responses showed that a broad range of improved practices was being extended by the farm management team including new varieties, equipment and irrigation techniques. Also non-traditional enterprises are being introduced such as caged layers and calf fattening. These and other practices are described more fully in ANNEX M. Also a complete listing of the practices reported for each Governorate is included in a supplement to the annex of this report.

On the basis of our field observations, farmer interviews and farm management questionnaires, the Evaluators were convinced that a broad spectrum of new or improved agricultural technology is being extended and used by farmers in the Project.

Data Collection and Analysis

Evaluation was to be an important component of this Project because it was a pilot effort. Baseline data was to be collected and periodic evaluations were to

be collected and periodic evaluations were to be made to determine Project effectiveness. To meet the need for a baseline survey, the SFPP contracted with the Department of Agriculture Economics at the University of Menoufia. The University team, headed by Dr. Osman El-Kholei, conducted a survey in 1980 and prepared a report which included baseline crop yields for the nine Village Bank areas that would be brought into the Project the first year.

To facilitate ongoing data collection and analysis requirements, the farm management work plan included two activities: (a) development and use of a farm record book and (b) development and use of a uniform operational system for obtaining costs of production, yields and marketing data. Although much work has been done, the SFPP has not perfected a data collection system for evaluating Project impact. The Evaluators were disappointed to find that evaluation and monitoring systems had not been given a high priority by SFPP management. A simple uniform system for collecting, summarizing, analyzing and reporting on such data as crop yields should have been in place within six months of the beginning of the Project in order to measure the impact of the Project over time.

The Evaluators found that farm management teams were independently preparing, and in some cases sending to Cairo, some yield data. Unfortunately this data was not reported systematically or uniformly within the Governorates, among the Governorates or over time. We did not find evidence of summaries or analysis by the SFPP staff in Cairo.

The Evaluators were impressed with some of the ad hoc reports prepared by some of the farm management teams. Examples include a report prepared (in Arabic) in Kalyubia on crop yields of Project and non-project farmers for the first summer season in the Project (1981) compared to crop yields for the summer season prior to the Project (1980). Also, the Assiut farm management team prepared a one-time report in English on yields and cost of production for Pioneer corn in Abnoub and Mutia for Summer 1981. We are convinced the Governorate staffs are capable of maintaining a data collection and analysis system. However, commitment and guidance from the Cairo office is needed.

Early in the Project, it was decided that the record book would be the primary vehicle for collecting cost of production, yield and marketing data. Efforts were concentrated on the farm record book, and little attempt was made to independently obtain yield and other data on a systematic basis. In hindsight, this was a mistake because of the long delay in designing a record book and collecting and analyzing data.

The record book was designed over the period of a year or so. It was a committee effort including the American farm management advisors. However, the responsibility for the designing the farm record book was assigned to the Project training officer who had limited farm management background. A deliberate choice was made to not adopt a standard record book format but to build from the ground up, in Egypt a "Records Management System". The result of the committee effort was a twenty-five page record book which included record forms for crop production and farm income, but did not include livestock and poultry sections (except animal work record).

The record books were sent to the field during the summer of 1982. The "Agricultural Researcher" was given the primary responsibility of collecting the record book information. Farm records (324) were to be collected from a sample of cooperating, participating and control farmers in each village bank area (see ANNEX K). A decision was made to use the computer to summarize and analyze the data. A contract was signed with Misr Cool to generate software to allow direct entry from the farm record book, enter the data, generate other software, perform certain statistical analyses and output certain tables. Misr Cool would also provide two months of Ph.D. level consulting. The data collection, coding and analysis was to be completed by the end of December, 1982. When the Evaluators arrived in Cairo in January, the status of the data collection, coding and inputting into the computer was as follows:

- 60 books had been completely coded and inputted
- 179 books had been partially inputted (crop production and income record and enterprise list)
- 25 books needed photocopying and coding
- 60 books had not yet been sent to the field for data collection (No data collected).

While the Evaluators were in Cairo, Misr Cool produced sample output for tables designed by SFPP (no standard deviations or t tests). For the purpose of the evaluation we asked Misr Cool for a comparative crop yield analysis for Cooperating, Participating and Control farmers, including standard deviations and analysis of variance. The statistical tests were inconclusive, probably because of a limited number of control farmers and because only a relatively small number of farmers in a given group had a specific crop. Misr Cool also said

they had the capability to do regression analysis. The evaluators were satisfied with the responsiveness and capabilities of the computer company.

The record book is large and cumbersome. However, the SFPP has devoted a lot of time and effort to this activity and a records system is in place. The SFPP staff, including extension agents, say that the data can be collected at the farm level. A distinct advantage of the record book is that farm income can be calculated. If reliable income estimates can be obtained, then this could be the overall verifiable indicator for Project evaluation in addition to the productivity of individual crops. Related to this is the fact that the farm income measure would account for shifts from one enterprise to another. Therefore, we urge the SFPP to make a concerted effort in the next two months to complete the record book revisions including the livestock and poultry sections. Therefore, we recommend that SFPP

1. Complete revisions of record book including livestock and poultry sections.
2. Complete collection of 1981/82 Winter data.
3. Collect data for Summer 1982 and farm income data for year Oct 1, 1981 thru Sept 30, 1982.
4. Collect crop data on seasonal basis for representative samples of block farmers using only (a) crop production cost record and (b) crop production and income record.
5. Use form shown in ANNEX P to collect area, production and yield data on all block farmers.
6. Use livestock and poultry section of the record book to collect production and cost data on representative samples of participating farmers that have water buffalo, broilers, layers and other major livestock enterprises.

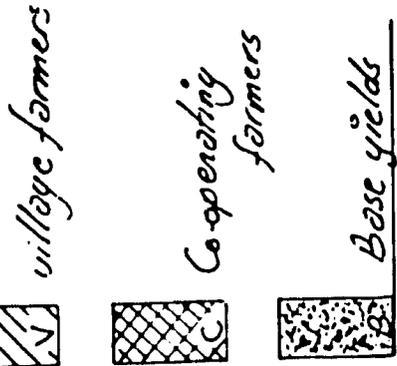
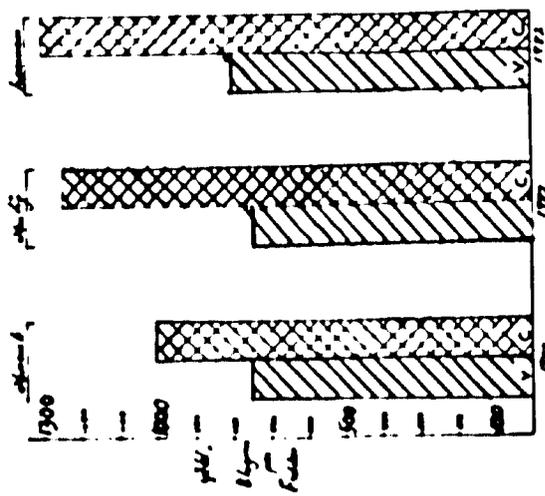
A major effort should be made to collect the farm income data records noted in Item 3. If the record book data cannot be collected, coded, inputted and analyzed in a reasonable time, serious consideration should be given to discarding the present record book system and starting over with a simple data system.

We have found this Project to be a very successful and action oriented Project and it should be replicated and expanded. However, data collection and analysis for monitoring, evaluation and farm management is weak. Therefore, we urge that this area be given high priority and additional resources be devoted to this activity. It is recommended that an American short term (4-6 months) agricultural economist be retained as soon as possible to assist in the record book revisions and the collection and analysis of data. Furthermore, a long term American agricultural economist should be assigned to the Project to coordinate farm management activity and to be in charge of farm management data collection and analysis. We feel that the addition of this agricultural economist is sufficiently important to justify the inclusion of a condition precedent in conjunction with any future USAID grant agreement tied to expansion of the SFPP. SFPP should also get Egyptian senior agricultural economists involved in the record book and data analysis.

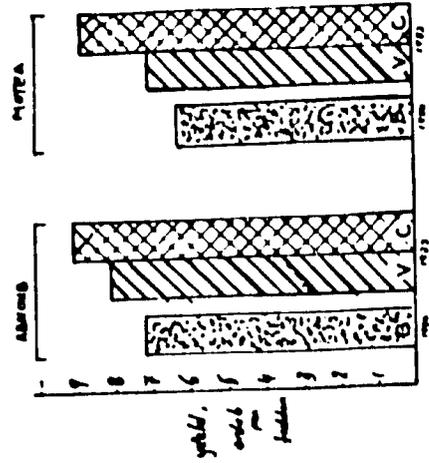
Farm Level Effects

The objective of the SFPP is to increase the productivity of small farmers for the purpose of increasing farm income. Although this is only the mid-point of the Project and the ultimate total effects cannot be ascertained, we looked for indications of what some of the impacts were or may be. We identified several areas which have been affected by the program which we feel are either directly or

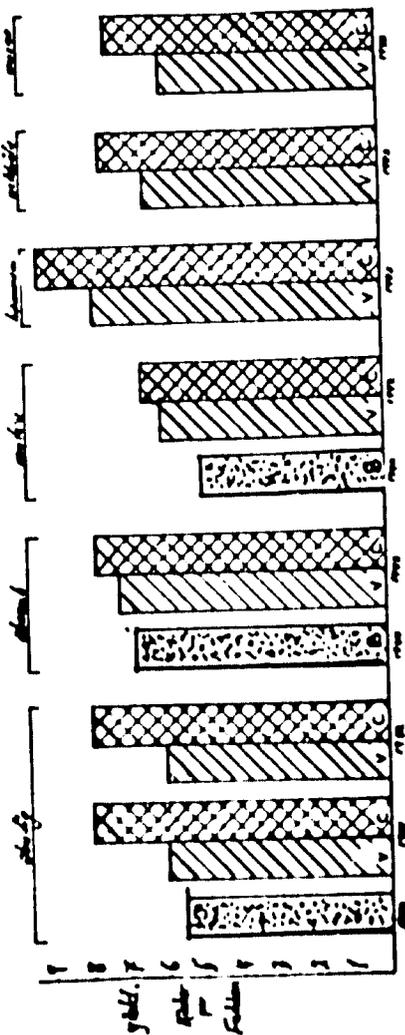
Soy Bean Yields - Assuit



Fowl Bean Yields - Assuit



Cotton Yields - Assuit



Wheat Yields - Assuit

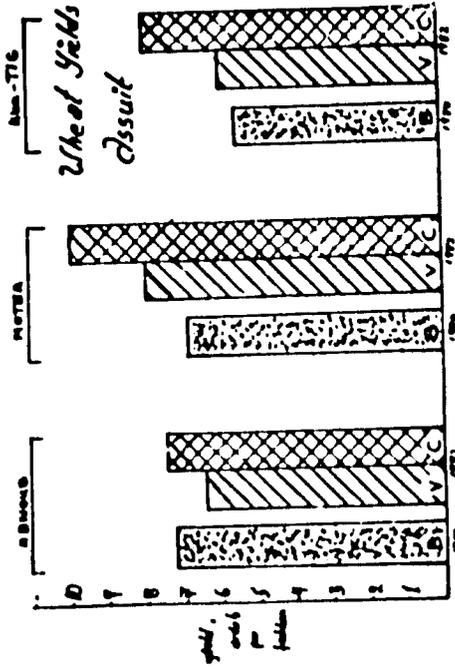


FIGURE 1

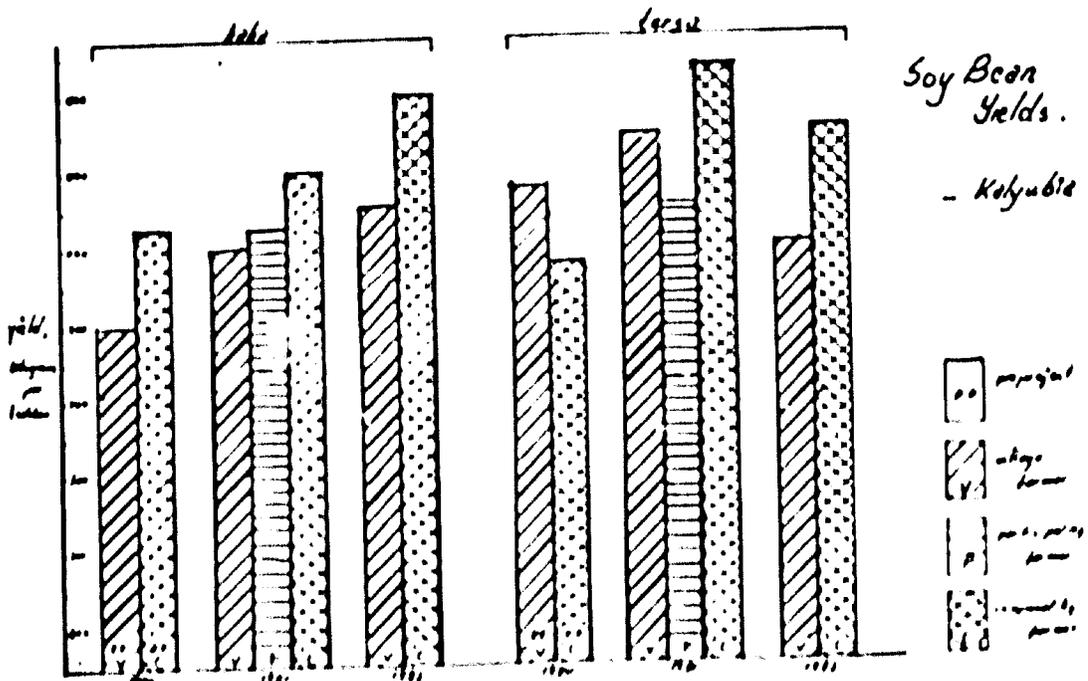
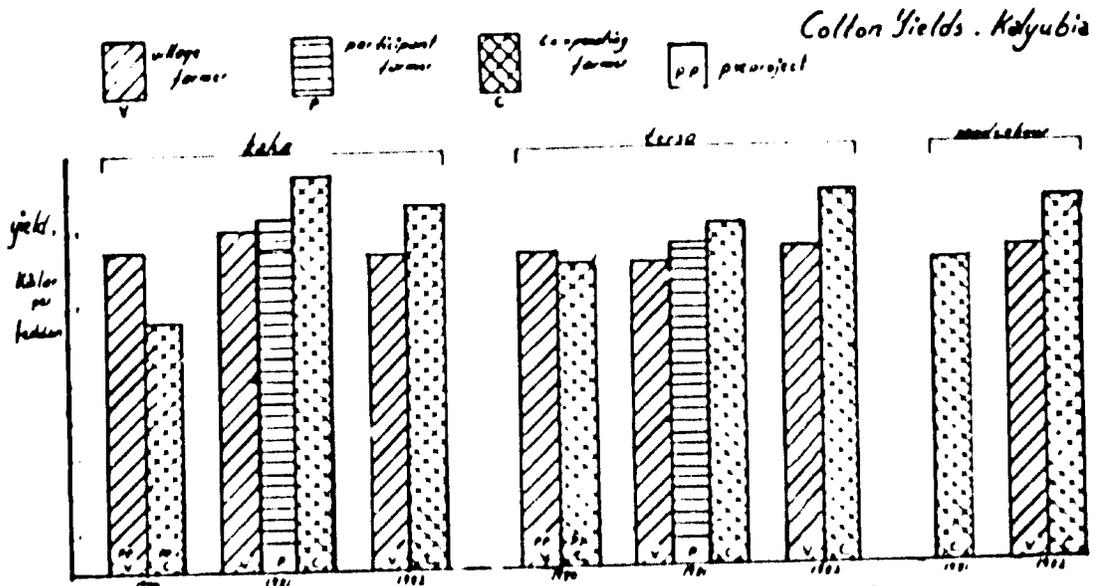
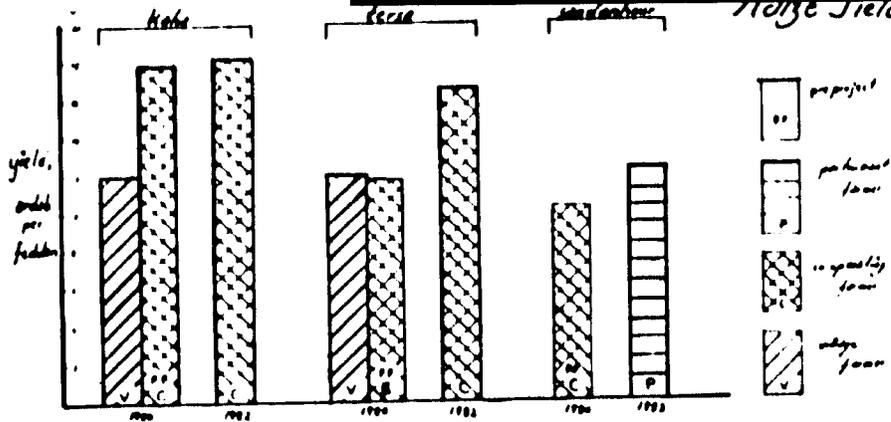
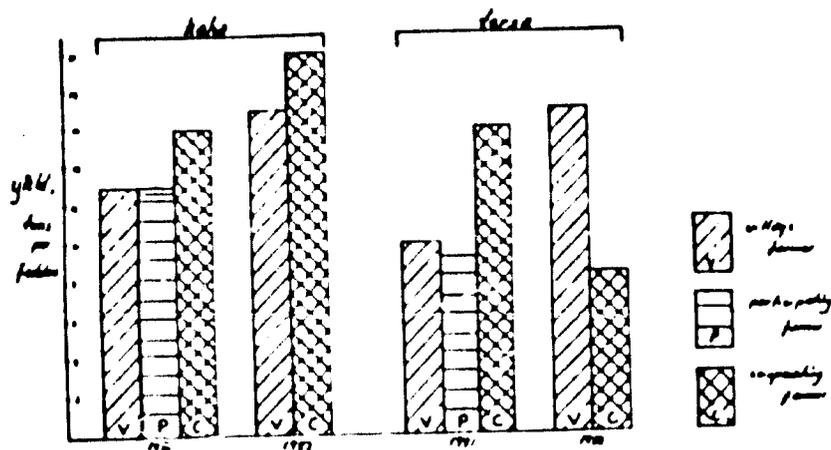


FIGURE 2

Tomato Yields - Kalyubia



Egg Plant Yields - Kalyubia

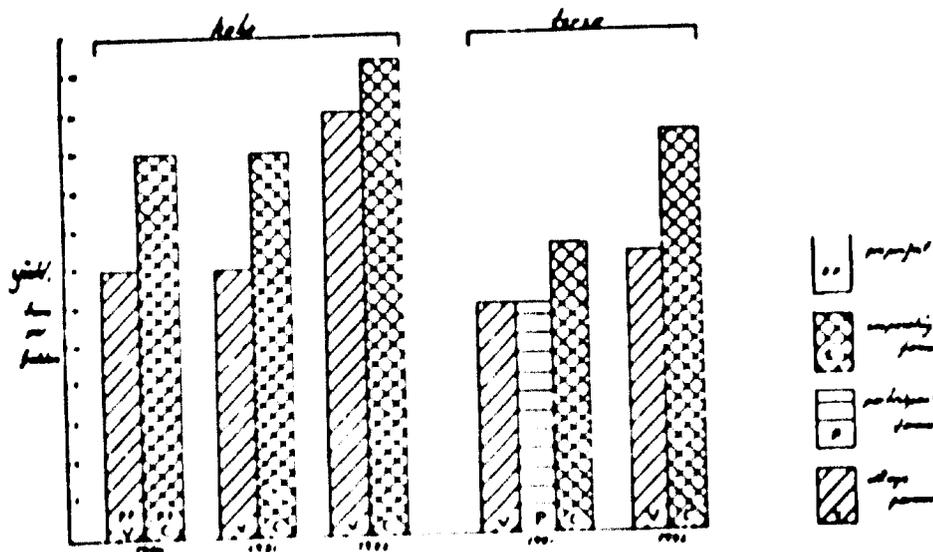


FIGURE 3

indirectly positively related to the objective of increasing farm productivity and family income.

Crop Yields

Although the Project did not have in operation an ongoing system for collecting and evaluating yields, we were able to obtain yield data from several sources which indicate that the Project is increasing the productivity of major crops (see ANNEX O). Figures 1 and 2 show crop yield data for Project farmers in Kalyubia the year before they were in the Project and for the next two years. Also shown are yields of local farmers in the area.

Tables 1 and 2 show yields of major crops for SFPP in Assiut compared to local farmers during the 1981/82 winter season and 1982 summer season (Also see Figure 3). Yields of SFPP farmers in most cases exceed those of local farmers. The increase amounted to 69% at its maximum, as in the case of soybeans in Hamman, and to 3% at its minimum as in the case of cotton for the same Village Bank. The analysis showed that considering all cases, the yields of SFPP farmers exceeded local yields by 15 percent. The t-test was applied to test the difference between local and SFPP yields. The test reveals that in 13 cases there exist statistically significant differences between both groups. The results largely support the hypothesis that the SFPP farmers have achieved higher yields than those of local farmers.

Timing of Cultivation

Land in Egypt is cultivated intensively and is under cultivation almost continuously. Normally there are two or three crops per year. Because of multiple cropping, planting dates are critical. It is necessary to harvest a crop in a timely manner so that the next crop can be planted. In Egypt, the problem is compounded because the crop must be harvested and the residues which are highly valued for fuel and feed, must be removed, usually

by hand, before the next crop can be planted. Because of scarce labor and other delays in harvesting and removing residues, Egyptian farmers frequently plant the following crop late and as a consequence full yield potential is not achieved. A major effort of SFPP is to get farmers to plant their crops at the optimum times in order to increase yields.

Tables I through III of ANNEX L show the SFPP schedule in Sharkia for planting winter crops for the 1982/83 season. It shows that all of the wheat areas were planted before the end of November. The entire area of broad beans was also planted by that time. This was also found to be true with respect to berseem. It is concluded that the Project was able to meet the optimum planting dates for winter crops in Sharkia.

Early planting of corn is needed in order to achieve high yields and planting should be done before the end of June. Available data from Kalyubia shows that the SFPP farmers in the area planted Pioneer and Giza 2 corn in April, 1982 and that Aghour farmers planted these two varieties in May. Finally, the data shows that both Kaha and Sandanhour planted Pioneer corn and Giza 2 in June. These dates indicate that SFPP farmers are planting their crops at the optimum time and are probably realizing substantially higher yields.

Fragmentation/Consolidation

Mechanization is a way of overcoming labor shortages in the rural areas of Egypt. It can also reduce costs if holdings are large enough. However, mechanization with large tractors is impractical and expensive where holding are small and fragmentation is extensive. According to the baseline study for this Project, holdings in the Project area are very small and fragmentation of holdings is a major problem. Of the holdings surveyed in the study, 39% of the farms were less than one feddan. The complete distribution of farm size for the three Governorates reported in the baseline study is as follows:

TABLE 1 COMPARATIVE YIELDS OF MAJOR CROPS FOR S.F.P.P. COOPERATING BLOCK FARMERS AND LOCAL FARMERS; WINTER SEASON 1981/82. ASSUIT, EGYPT

BLOCK LOCATION	CROP	NUMBER OF FARMERS	UNITS	BLOCK YIELD AND STANDARD DEVIATION	LOCAL YIELD	DIFFERENCE	RATIO OF BLOCK TO LOCAL	"t" VALUE	SIGNIFICANT DIFFERENCE (.05)
Mutia (El Malwala)	Foul Beans	5	Ardab	8.4 (.36)	7.0	1.4	1.20	3.8	YES
Abnoub (Nakhla)	Foul Beans	15	Ardab	8.7 (.06)	8.0	0.7	1.09	12.4	YES
Abnoub (El Gard)	Foul Beans	4	Ardab	6.8 (.63)	7.5	-0.7	.91	1.1	NO
Mutia (El Afif)	Foul Beans	8	Ardab	8.7 (.29)	7.0	1.7	1.24	5.7	YES
Abnoub (El Gard)	Wheat	17	Ardab	7.5 (.05)	6.5	1.0	1.15	6.5	YES
Abnoub (Nakla)	Wheat	12	Ardab	6.7 (.09)	5.5	1.2	1.22	5.5	YES
Mutia (El Melwa)	Wheat	9	Ardab	10.4 (.16)	8.0	2.4	1.30	8.0	YES
Mutia (El Afif)	Chick Peas	20	Ardab	2.75 (.02)	2.5	0.25	1.10	12.1	YES

DATA SOURCE: S.F.P.P. RECORDS

TABLE 2 COMPARATIVE YIELDS OF MAJOR CROPS FOR S.F.P.P. COOPERATING BLOCK FARMERS AND LOCAL FARMERS; SUMMER SEASON 1982. ASSUIT, EGYPT

BLOCK LOCATION	CROP	NUMBER OF FARMERS	UNITS	BLOCK YIELD AND STANDARD DEVIATION	LOCAL YIELD	DIFFERENCE	RATIO OF BLOCK TO LOCAL	"t" VALUE	SIGNIFICANT DIFFERENCE (.05)
Mutia (El Melwala)	Maize	10	Ardab	13.8 (.20)	12.0	1.8	1.15	9.0	YES
El Hammam	Cotton	13	Kantar	7.4 (.07)	7.2	0.2	1.03	3.2	YES
Abou Teiq	Cotton	24	Kantar	7.4 (.05)	7.3	0.1	1.01	2.2	YES
Mutia (El Afif)	Cotton	25	Kantar	6.6 (.04)	6.5	0.1	1.01	1.4	NO
Mutia (El Melwala)	Cotton	19	Kantar	6.3 (.03)	6.3	0.0	1.0	0.3	NO
Mutia (El Al'ka)	Sorghum	31	Ardab	10.7 (.05)	8.0	2.7	1.34	29.2	YES
El Hammam	Sorghum	18	Ardab	12.1 (.36)	11.1	1.0	1.1	11.1	YES
El Hammam	Soybean	4	Kilogram	1350.0 (.01)	800.0	550.0	1.69	38.2	YES

LAND AREA DEVOTED TO SINGLE CROP PRODUCTION
BY GROUPS OF FARMERS OPERATING SEVERAL
PARCELS CONSOLIDATED INTO BLOCKS

(BY PERCENT)

LAND AREA IN EACH BLOCK FEDDAN (F)* KERAT (K)	ASSUIT WINTER 81/82			SHARKIA WINTER 81/82			KALYUBIA WINTER 82/83		
	BLOCKS	AREA	FARMERS	BLOCKS	AREA	FARMERS	BLOCKS	AREA	FARMERS
LESS THAN 1F	--	--	--	14.3	1.6	4.0	--	--	--
1F - 1F,23K	--	--	--	15.3	3.0	5.3	7.7	.5	.7
2F - 2F,23K	18.5	3.8	4.8	15.3	5.1	7.2	3.9	.5	.5
3F - 3F,23K	3.7	1.2	1.2	9.2	3.7	4.3	5.1	1.0	1.0
4F - 4F,23K	7.4	2.8	2.1	6.1	3.8	4.8	2.6	.7	.7
5F - 9F,23K	18.5	11.0	10.8	19.4	18.9	21.6	6.4	3.1	2.9
10F - 19F,23K	33.4	41.8	41.9	10.2	21.1	21.6	46.1	38.8	37.4
20F - 29F,23K	14.8	30.0	29.9	6.1	20.3	13.3	15.4	22.6	24.9
30F OR MORE	3.7	9.4	9.3	4.1	22.5	17.9	12.8	32.8	32.8
TOTALS	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

* 1 FEDDAN = 24 KERATS

	ASSUIT	SHARKIA	KALYUBIA
NUMBER OF BLOCKS	26	89	78
TOTAL FEDDANS	328	721	1,297
TOTAL FARMERS	329	781	1,920
FARMERS PER BLOCK (AVERAGE)	13	9	24
AVERAGE BLOCK SIZE (FEDDANS)	12	7.4	16
AVERAGE PARCEL SIZE PER BLOCK (FEDDANS)	1.0	0.93	0.68

Source: Assiut and Sharkia - Cairo SFPP
Kalyubia - Extension agents

<u>Farm Size</u>	<u>Percent of Farmers</u>
Less than 1 feddan	39.3
1 - 2 feddans	33.0
2 - 3 feddans	18.6
3 - 4 feddans	6.1
4 and more feddans	3.0

The baseline study shows that fragmentation is a major problem in the Project areas. Over the last year, the SFPP has encouraged the farmers to consolidate their small holdings in order to facilitate mechanization and the adoption of other modern agricultural practices. The average size of farm for SFPP farmers is less than 3 feddans which is too small for most types of mechanization if cultivated separately.

Available data shows that in the 1982/83 winter season, approximately 1300 feddans were cultivated in Kalyubia in 78 Blocks with an average Block size of 24 feddans. (See Table 3). Average parcel size was about two-thirds of feddan. However, because of consolidation, nearly one-third of the land area was cultivated in parcels of 30 feddans or more. Almost one-third of the farmers were in this size group. The total effect of consolidation of holding is not known. However, we believe that it will facilitate more mechanization and contribute to the adoption of other modern practices and better farm management which will translate into increased productivity.

Farm Practices.

A broad range of new improved farming practices are being introduced and adopted by SFPP Project farmers. These practices are expected to lead to higher yields and/or higher productivity and income for the small farmer. Some of these practices have already been mentioned and are described more fully in ANNEX M. New and improved technologies being introduced include new seed varieties for corn and tomatoes and the use of foliar fertilizer. Herbicides are being used more including Besegaard for lentils, Brominal for wheat, and Bassafran for berseem. Equipment is being introduced to speed up operations and to do the job better.

Equipment recently introduced includes sickle mowers for removing crop residues, seed drills and roto-tillers. Although these have been recently introduced, we think the use of equipment will become more widespread in the consolidated holdings. New planting technology includes use of plastic tunnel nurseries to start tomatoes and high density planting.

New Enterprises

The SFPP has enabled small farmers to begin or expand enterprises, many of which were not traditional to small farmers. Credit has enabled the SFPP farmers to expand into such areas as bee keeping and rabbits. Also, some Project farmers are purchasing Fresian cows for milk production and sale. A recent non-traditional enterprise is small scale (96 bird unit) caged layer unit. Also, a number of small farmers are in commercial broiler production.

The growing of early tomatoes is a new undertaking for small farmers. More farmers are moving into production of other vegetables for market. The introduction of improved sheep, water buffalo and poultry is occurring. It is our judgement that these new enterprises have and will substantially increase the income of small farmers.

THE STORAGE AND TRANSPORTATION COMPONENT

At the Project mid-point, it was clearly evident to the Evaluators that not only had the planned activities for the storage and transportation component fallen behind schedule, but there had been substantial changes in the approach when compared with the Project Paper and Project Work Plans. The schedule for the completion of activities leading up to and including the construction of one hundred and fifty (150) Agencies (warehouses) turned out to be highly optimistic. Although the first fifty (50) of these Agencies (Phase I) were to have been completed by the end of 1982, land acquisition and the selection of construction contractors had not been completed. Since construction Phases II and III were expected to provide for the construction of the remaining Agency warehouses by the end of 1983, there is little chance that any of the facilities will be available on schedule.

The changes in approach which took place were both sound and necessary in the view of the Evaluators. For example, the original presumption was that the bulk of construction funds for Agencies would be loaned to private entrepreneurs who would build the facilities and lease them back to the PBDAC/BDACs. Only in those instances where private sector involvement proved to be unfeasible would direct bank ownership have been involved. Early during the implementation phase, it was concluded that this approach would be unworkable, if not impossible, since few if any private sector individuals would be willing and able to build the needed facilities and to lease them back on suitable terms. This should have come as no surprise. Eight new shouna warehouses were also proposed but these were deleted in favor of new Agency facilities.

It was also anticipated that USAID source funds would be needed to renovate twenty-seven (27) Village Banks. However, these buildings were not owned by the PBDAC/BDAC and they were non-functional and in such deplorable condition that replacement with new and adapted facilities was the only viable alternative. It was presumed that Egyptian funds would be used to renovate three (3) Governorate Banks and eight (8) District Banks in the Governorates. Although office space was provided in the Governorate Banks for the American advisors and their counterparts, there was no immediate need to renovate the District Banks as they were not active SFPP participants.

The Team stresses the urgent need to provide new Village Bank buildings and Agency warehouses. The leased facilities which are presently in use are non-functional in design and are in such abominable condition that they seriously detract from the ability of even the most qualified and dedicated personnel to render high quality credit banking and farm input services in SFPP areas.

Although construction had not commenced on the approximately one hundred and fifty (150) Agency warehouses or twenty-seven (27) Village Bank buildings at the time of the evaluation, the Team confirmed that essential pre-construction activities have been or are being accomplished. The chronology of activities and implementation details contained in the Project files contributed greatly to the Team's understanding of Project dynamics. Among the activities undertaken were: (1) a study of the functional and capacity requirements of the Agencies; (2) the selection of Parsons, Brinkerhoff, Sabbour, SAE to be the Architectural and Engineering

Contractor; (3) the design of Agency warehouse units in capacity modules of from one to ten units; (4) the acquisition of forty-three (43) sites suitable for approximately twelve Village Banks and forty-two (42) Agencies; (5) the preliminary design of Village Bank buildings; (6) the conduct of site surveys and soil tests for acquired sites; (7) the preparation of building site location drawings for acquired sites; (8) the advertisement for prequalification of construction contractors with returns due not later than March 20, 1983; (9) the preparation of general and technical specifications for the Agency warehouses and (10) continuation of the effort to acquire through purchase or otherwise, the remaining one hundred plus building sites.

The Team was impressed with the amicable and productive working relationship which appears to have developed among the various parties involved with expediting the Village Bank and Agency warehouses planning and construction. Despite the historical problems associated with site acquisition, delays in obtaining a multiplicity of USAID approvals and a tardy start-up by the A and E contractor, a solid foundation seems to have been established which should facilitate the delayed but potentially successful completion of essential buildings.

The Project Paper indicated that there would be three major improvements in the local storage and handling system. The first of these was to be the design and implementation of an improved procedure to control the flow of inputs. The second called for the upgrading of facilities in eight district shounas and one hundred and fifty (150) agencies serving the area. The third major improvement was to be the addition of transportation

capacity between the district shounas and the agencies via the addition of fifty-four (54) transport units.

In order to bring about the improvements in the procedures for controlling the flow of inputs, it was indicated that weaknesses in the inventory and accounting system would be alleviated and that where possible, inputs would bypass shounas and be delivered directly to agency warehouses. It soon became obvious that it would be virtually impossible in the short run, for the SFPP to bring about many of the changes needed to eliminate weaknesses in the inventory and accounting system in the areas served by the Project without introducing similar changes across the board within the PBDAC. Procedures, records and accounts for credit, supply and regulatory functions were so intermingled that it was deemed to be unfeasible to institute a new system in those areas served by the SFPP. Therefore, it was concluded that it would be more appropriate for the transportation and storage component to concentrate on the effort to get the one hundred and fifty (150) agency warehouses constructed with the objective of facilitating "direct delivery to agencies" and on improved handling methods as soon as possible. In the interim, M. Abd El Salam El Maazawy was placed under contract to conduct an evaluation of the accounting system needs of the Project and of the PBDAC as a whole, with the goal of making recommendations for the implementation of a modernized accounting and management information system bank-wide. Two of the three parts of the study were published in 1982 and the third part is being prepared. The Evaluators believe that although implementing the modernized system will require a very large effort at all levels within the PBDAC, the SFPP Governorates should be in a unique position to adopt it.

Another Project Paper assumption was that availability of inputs, particularly fertilizer, could be expedited if fifty-four (54) tractors with two trailers each were acquired for the timely transportation of inputs from shouna warehouses to the agencies. The assumption was that the tractors would be financed on a loan basis to individual farmers or groups of farmers who would provide the services on a custom basis. The original \$230,000 budgeted for this purpose would have amounted to \$4,259 per unit of a tractor and two trailers and thus would have been inadequate in view of the inflation in machinery costs. The necessity became questionable when it was determined that Agency warehouses should have capacity for between one-third (1/3) and one-half (1/2) of a year's fertilizer needs and that the bulk of fertilizer would be delivered by truck directly from factories to agencies thus by-passing shounas and extra handling relating thereto.

Visits were made to selected shouna warehouses and Agencies in the three Governorates as a means of providing a quick overview of the prevailing conditions. There was little apparent difference between the physical conditions observed in 1983 and in 1978 when the storage evaluator visited similar facilities in conjunction with pre-project planning. In the shounas there are substantial quantities of broken plastic fertilizer bags which were damaged through physical handling and/or ultra violet exposure. It was not apparent that a first in, first out approach to fertilizer inventory management is being employed. There continues to be fertilizer wastage due to damaged containers and failure to move the old materials out first. This situation could be improved with some additional push from responsible managers.

More attention also needs to be given to the handling and storage of crops, both imported and domestic. Rough handling resulting in broken bags and spillage, deterioration due to moisture both from the ground and the sky and damage inflicted by insects, rodents and birds continues to be at unacceptably high levels. There was no evidence that modern materials handling techniques were being used. Bag handling from truck to man and man to truck continues in the traditional labor intensive way. There appears to be a real need for the installation of suitably sized metal grain storage silos both to minimize storage losses and to improve handling efficiency. Cleaning equipment is also needed.

Most of the Agencies visited were located in old, mud-brick walled, multi-room houses which were poorly ventilated and had layers of mud on the floors. Rooms and passages were poorly located thus making for great difficulty in placing fertilizer in storage and for removing it. Several Agencies were a long distance from truck access thus making for excessive carrying. Although this does not pose a particular problem for the farmer and his donkey, it makes excessive hard work for those who unload trucks. Housekeeping and maintaining files and records in the Agencies continue to suffer. A continuation of these poor practices must not be allowed when new facilities become operational. There is little that can be done to improve the materials handling efficiency in most of the existing agencies visited other than perhaps the introduction of two wheeled upright hand trucks.

Land acquisition has proved to be a major obstacle to be overcome in the attempt to provide badly needed new

facilities for the Village Banks and their associated Agencies. As should have been anticipated, land in the Nile Valley is a scarce and precious resource. Although people do sell land, they don't often give it up readily or cheaply. Since valuable farm land is about the only land that is available in or near the desired locations, PBDAC has been slow in acquiring the needed land. Even if a landowner is willing to sell, his title may be slow to clear due to inheritance or other complications. Finding parcels of adequate size was difficult as many were too small for the size of structure planned when large truck access requirements were considered. Most sites were below grade and access ramps requiring substantial land area would be needed due to the ditch banks and levees.

At the time of the evaluation, a total of forty-three (43) building sites had been acquired. Twenty-three (23) of these were located in Sharkia Governorate and are expected to be adequate for the construction of five Village Bank/Agencies, one Village Bank and seventeen Agencies. In Assiut Governorate, nine sites had been acquired of which two were expected to be adequate for Village Bank/Agencies, one for a Village Bank, six for Agencies and a shouna or district warehouse which would provide agency services. The eleven sites acquired in Kalyubia Governorate are expected to be suitable for the construction of three Village Banks/Agencies and eight Agencies.

In the Sharkia Governorate, six of the sites had been previously owned by the bank and or government and there was no direct purchase cost attributed to the Project. One parcel in Assiut Governorate was bank owned. All sites acquired in Kalyubia were purchased. The details

concerning acquired sites, including locations, dates acquired and costs are summarized in ANNEX C, Tables I, II and III. The expenditures for land purchase amounted to LE 107,506 for the sixteen sites acquired by purchase in Sharkia, LE 90,700 for eight sites in Assiut and LE 261,978 for eleven sites in Kalyubia. Thus the purchase cost for the thirty-five sites was LE 460,184 or an average of LE 13,148 per site. If the same level of land acquisition cost prevails for the one hundred or more additional sites were expected to be needed, it seems probable that from LE 1.0 to 1.5 million of PBDAC funds may be needed to complete the purchase of building sites.

During the course of the evaluation, site visits were made to new Village Bank/Agency and Agency sites in the three Governorates. Visits were made to approximately one-third (1/3) of the sites for which land purchase had been completed and to several sites which were in the process of identification, negotiation or purchase. At most of the acquired sites it was possible to identify boundaries from permanent markers placed by P. B. Sabbour's survey and soil testing sub-contractor. Likewise, it was possible to see the open or filled soil test bore holes. Site drawings showing the proposed placement of the required size of Agency buildings were also available and were under review by the Storage and Transportation Advisor at the time of the evaluation. Most of the sites and proposed building sizes and orientations were determined to be satisfactory, but a few required some modification in order to be marginally satisfactory. Poor truck access due to small lots, poorly located in relation to the terrain, appeared to be the most common problem. In a few cases, minor modification of the

proposed building and or down sizing might result in satisfactory solutions. In others, the appropriate recommendation would be to procure a suitable alternative site. The siting of combination Village Bank/ Agency buildings had not been accomplished pending final agreement as to building design. Although sketches of possible floor plans had been prepared for discussion purposes, it was apparent that agreement as to the design of a standard Village Bank/Agency might require several weeks.

In accordance with the Architectural and Engineering Contract with P. B. Sabbour, it was anticipated that the first phase of construction would consist of new facilities for nine Village Banks and for the approximately fifty-three Agencies associated with them. Bids for construction were to be called for in units of a Village Bank and its associated Agencies and construction was to be done simultaneously on these facilities. The first phase construction was to have been completed by November 30, 1982. Second and third phases of construction were expected to have been contracted for in units of nine Village Banks and associated agencies in each phase with construction to be completed on June 30, 1983 and November 30, 1983 respectively.

Formalizing the Pre-qualification Questionnaire and Advertisements for construction contract(s) proved to be a slow process. During the evaluation, agreement was reached and advertisements were submitted for publishing in Egypt and in the "Commerce Business Daily". Since a twelve month construction period is anticipated, and several weeks or possibly months will probably elapse before contractor selection can be completed and construction

contract or contracts executed, it is improbable that Phase I new Village Bank and or Agency facilities will be ready before mid-1984. The Evaluators were impressed by the fact that SFPP management recognized the great need for these facilities and is intent on getting them started and completed as soon as possible. The Team was informed that the mid-1984 date is too pessimistic and that speedier construction is within the realm of reality.

In view of the land acquisition problems previously cited, it may be impossible to contract for or construct facilities for all the agencies served by a Village Bank in a single phase as had been originally intended. When titles for new sites are acquired, plans will need to be made to include them in future construction contracts. Although limited progress has been accomplished in acquiring construction sites for Phases II and III, it is possible that once the word gets around that suitable new facilities are under construction for nearby Village Banks and Agencies, there may be a concentrated effort to acquire land and "get on the bandwagon". Given this background, the best hope might be to combine Phases II and III in an enlarged Phase II. The feasibility for doing this would be contingent on mounting a crash program to acquire titles to the hundred or more construction sites required.

THE TRAINING COMPONENT

Training needs of a large and complex institution such as the PBDAC are many and varied and never ending. The training component of the SFPP differs from the other components of the Project in that it is expected to contribute to the upgrading of the PBDAC's training facilities, equipment and course content at the central level in addition to meeting the specific training needs of the SFPP in the three pilot Governorates. The Project Paper contained the following language: "Unlike other project activities, assistance in this area will be concentrated at the central level. Economies of scale in training suggest that duplicate facilities at the governorate level or below would be wasteful. Technical assistance to governorate programs will also be provided, however."

The initial efforts of the training component under the SFPP got off to an inauspicious start when it became obvious that the time was not right for the development and implementation of a comprehensive management oriented training program with the PBDAC. Likewise, there was no immediate opportunity for upgrading the PBDAC's training facilities through remodeling since the bank had already embarked on its own efforts to remodel 11th floor space. The immediate outcome was that emphasis was concentrated on supporting SFPP specific training efforts in the Governorates. Efforts of the training advisor were also shifted to the design and development of the farm accounting and data collection system needed for use with cooperating farmers.

The Evaluators noted that the duties and responsibilities of the Management Training Specialist were modified and

clarified under the terms of Contract Amendment No. (6) between PBDAC and ACDI on July 28, 1982. This amendment clarified the role of the Specialist vis a vis his training advisory role in the Governorates with BDAC and in coordinati ; overseas participant training programs. It also contained language which helped to confirm the overall scope of activities for which the incumbent is responsible.

It was apparent to the Evaluators that during the first two years, the immediate training needs of Village Bank and farm management extension personnel in the three SFPP Governorates had been met since the farm management and credit services were being successfully delivered to small farmers. Even so, there is a continuing and growing need for the upgrading of the levels of competence of present personnel through more advanced training. In addition, training will need to be expanded to provide the qualified personnel essential for geographical expansion of credit services to more Village Banks when and if the SFPP is expanded.

Although training facilities continue to be inadequate, and are likely to remain so, the Team was impressed that a strong spirit of cooperation has developed and now prevails between the SFPP training component and the PBDAC Training Department. The Evaluators believe that the activities of the SFPP are now firmly on track in spite of the slow start previously cited. Evidence of this is reflected in the apparent success of the Project in providing a package of farm management and credit services to small farmers.

At the beginning of the Project, the bulk of the training of Village Bank and extension personnel was provided

on an individual or small group basis by ACDI advisors and their counterparts. These teams in the Governorates provided training in such topics as credit factor analysis, farm records and the like. Special courses were devoted to calculator use and there were courses involving vegetable and livestock production (ANNEX H). The team observed field training of extension personnel in plant protection in Kalyubia, in farm mechanization in Sharkia and classroom instruction in data collection/farm records at Assiut. Specialists from the Ministry of Agriculture and from the Agricultural Universities are providing the instruction for many of these training courses. Training courses and demonstrations are also being held for farmers. For example, approximately fifty farmers attended a potato demonstration in Assiut Governorate which one of the evaluators also attended.

There are training officers at each of the three BDACs. They are in charge of coordinating and supporting training efforts in their governorates. These individuals are also in charge of the audio-visual equipment provided under the project. During the period of the evaluation, the training officers from the three Project Governorates and from the non-project governorates were in Cairo attending a two week Governorate Training Specialists Training Review course. This course, which reaches out PBDAC-wide for the first time, represents an initial step toward enhancing the training capacity of the bank. It was apparent from interviews conducted with training officers in the SFPP Governorates, that they are beginning to fulfill increasingly important training roles in support of the Project and are working closely with Project and other technical experts to improve the quality of training programs. Shifting away from the traditional

lecture to demonstrations and the use of visual aids is beginning to happen.

Training facilities at the PBDAC and in the three SFPP Governorates are woefully inadequate (virtually non-existent). Although there are tentative plans to enclose existing spaces and to use them for improved training facilities in the Governorates, this would appear to be difficult and unlikely to be achieved in the short run. The existing facilities on the 10th and 11th floors of the PBDAC do not now and in the immediate future are unlikely to satisfy the space and environmental requirements for the advanced training of skilled and professional personnel. Even so, efforts to improve the environment for training need to be accelerated. For training programs which involve the necessity for employees to be away from home over night, sufficient budgeted funds will be needed so that employees will not have out of pocket costs.

Audio-visual equipment which was acquired by the SFPP for training use by the PBDAC Training Department and for use in the three Project Governorates was received and delivered during the months of September through November 1982. (ANNEX I) In the Governorates, the equipment is in the custody of the training officers. Concerned personnel were provided with training in the operation and maintenance of the various pieces of equipment. Prior to the receipt of the equipment, none was available for use by the BDAC training officers in the Governorates. The equipment was observed in the Governorates and it was apparent that growing use will be made as training activities increase in both numbers and sophistication. Two of the three BDAC training officers

demonstrated a particularly strong interest in using the equipment in training programs they were supporting. For example, the Sharkia training officer had recently prepared a slide series on grain storage fumigation which is expected to be used widely.

Initially, no firm provision had been made within the SFPP to handle the planning and arrangements for personnel who were expected to receive short term participant training in the United States. This problem was resolved on July 28, 1982 when the contract with ACDI was amended and it was authorized to develop and implement the needed short term participant training programs. Funds in the amounts of U.S. \$132,000 and U.S. \$54,000 of Egyptian Pounds were added to the contract for that purpose. A part-time assistant was employed to coordinate arrangements in Egypt. The first group of ten credit and farm management/extension employees departed in early October for a month of observation/training and exposure to the farm credit systems, agriculture and services to agriculture in the United States. These returned participants were interviewed by the Evaluators. We are satisfied that the participants had meaningful experiences which are contributing to their effectiveness in accomplishing SFPP objectives. The Evaluators do agree with some of the returned participants who expressed the view that stretching the training program from one month to six weeks to allow more time for on-the-job training would be worthwhile. While this participant training was successful, lessons learned are being used to improve forthcoming Stateside training programs.

English language instruction is being provided at the beginning and intermediate levels under a contract with

the American University of Cairo for SFPP personnel from Kalyubia and Sharkia Governorates. Special English training is also being provided in Assiut. Plans are proceeding for three groups of Project personnel to receive short term participant training in the United States. The first would be an Executive Study Tour tentatively scheduled for late spring 1983. Credit and Farm Management/Extension groups would depart at mid-year and in the fall of 1983. Planning for an Applied Computer Training program is also in progress.

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ANNEX A - PERCEPTIONS

PART I A SUMMARY OF INTERVIEWS WITH EXTENSION AGENTS

The data collected in the sociological survey of the evaluation of the SFPP are reflective evidence because the interview procedure required the specialists, agents, village bank personnel and the farmers themselves to reconstruct (reflect upon) their feelings, behavior and conditions before during and following their participation in the SFPP and activities. The respondents, in effect, estimated the amount of change they experienced or observed by participating in the SFPP. This perceived "before and after" evidence of program effectiveness is one way to deal with the problem of quality. It deals with the question, "What part did SFPP have in bringing about the change in farmer behavior or attitude?"

Admittedly, this is an interpretive or subjectivist position which holds that human experience is perception and that perceptions should be analyzed in any program which is designed to influence change in people. This would hold especially true in the evaluation of such a program.

The sociological survey has played a unique role in this evaluation because it has attempted to outline and describe the social context in which the SFPP is implemented. It was designed to flush out the critical issues as reported by both the delivery system (SFPP) and the client system. With these issues defined, the other members of the evaluation could concentrate their efforts on exploring the key issues in depth.

It is hoped that the instruments used in this survey can provide the SFPP personnel with a device to continue self evaluations in the post evaluation periods.

How were these agents prepared to help the farmer move in this direction?

First, a series of short courses were designed and required of the project agents. In our sample, the courses taken by most of the agents were these:

1. Animal/livestock production	17
2. Vegetables	16
3. Farm Record Book	13
4. Calculator	7
5. Mechanization	5

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The above short courses were supported by informal training sessions held by project specialists and university based specialists. Thirteen of the agents claimed that these specialists met with them from 4 - 8 times monthly and the other four were visited from 12 - 22 times per month. Except for one agent who claimed the specialists were "not helpful at all." The other 16 claimed that their visits were "fairly helpful" to "very helpful."

The agents were given the opportunity to assess the helpfulness of this informal training in the field in another question. In their response, 14 rated the informal training "very helpful", 3 rated it "fairly helpful." No one felt it was less than "fairly helpful."

All of the five most attended training sessions listed above were rated highly.

	<u>Very helpful</u>	<u>Fairly helpful</u>	<u>Slightly helpful</u>	<u>No help</u>	<u>Total</u>
Animal/Livestock	8	8	1	0	17
Vegetables	11	5	0	0	16
Farm Record	8	5	0	0	13
Mechanization	2	2	1	0	5
Pest/Weed Control	3	0	0	0	3
Farm Management	1	1	0	0	2
Field Crops	1	0	0	0	1
Informal Training	14	3	0	0	17

Who are the agents? For the most part, the agents were mature young men trained in agriculture with several years of experience before joining the SFPP.

<u>Age</u>		<u>Education</u>
25-29 years	2	BS 15
30 - 34 years	8	Diploma 2
35 - 39 years	5	(Diploma equals 2 years beyond high school, similar to associate degree in U. S. community colleges.)
40 - 44 years	<u>2</u>	
	17	

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A few more than half have worked on the project for two years; the remaining, one year or less.

Less than 1 year	4
1 year	3
2 years	10

In examining this project, one is struck by the way the SFPP linked extension with credit. Without this linkage very little impact would have been made on agricultural production. In my opinion, this is the single most important factor which has permitted many of the small farmers associated with this project to begin the transition from subsistence farming to production farming. There is considerable evidence throughout the project sites to document this trend. One should be able to trace the influence back to the SFPP in general and their relation between credit and farm management more specifically.

From the above table it is clear that the agents considered any and all of their short courses quite helpful. One agent remarked that this training in the project forced him to go back and review his college material rather intensely. It may be, that for the first time they were given the opportunity for "hands on" instruction.

When asked if they ever had the type of training the project gave them before in their life, (Question 13), they responded in the following manner:

Not at all	12
To a slight extent	2
To a fair extent	2

- (some of these agents had worked at research stations before the project.)

Another general question that we wanted answered was, "Had the agent had any impact on the farmer and the way he farmed? If he did, how did it affect production."

In order to establish some idea of how the agent worked with farmers before the project, we read him a statement:

"I assume you worked as an extension agent before you joined this project and you believed you were doing a good job working with farmers." Then we asked, "Is this an accurate statement?" The response:

Accurate as far as I know	13
Reasonably accurate	3
Not accurate	1 - (thought he was poor at his work)

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This can be interpreted to mean that in their extension activities before the project, they thought they were good agents. But then we asked, "To what extent have you changed your ways (since then) in working with farmers?"

To a great extent	15 (88%)
To a fair extent	2
To a slight extent	0
Not at all	<u>0</u>
	17

Fifteen out of seventeen or 88% replied they had changed to a great extent. When asked for examples, the overwhelming majority in some way or another said they would go to the farmer's fields and work with him like a brother. It is quite evident that the stress on human relation skills emphasized in all the short courses and practiced by both American and Egyptian counterparts when they visit the field, has had an impact. The role model of a caring and knowledgeable extension agent is in such contrast to the norm that the difference is obvious.

That in itself would mean nothing if the farmer - agent relations were influenced negatively. Question No. 17 asks to what extent has this change (you described) affected your relations with farmers.

To a great extent	16
To a fair extent	1
To a slight extent	0
Not at all	0

Sixteen out of seventeen claim "to a great extent", the other agent said to a "fair extent", and all claim the change had a positive impact with farmers. This is also supported by the responses given by the farmers. With the exception of one agent, all the farmers prefer the project agent over the other agents they have met in the past. And all of the farmers believe that the project agents come to the fields and houses and give them practical advice which has increased their production. The agents give examples of this increase, but it would be more creditable if the confirmation came from the farmers.

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There is no question in my mind that:

1. The project agents are as different from the traditional agent type as the project loan procedure is from the regular bank procedure.
2. That this change is the result of the formal training program emphasizing these skills (human relations, no matter what the major topic is and demonstrating the "good" and the "bad" through role playing exercises.)
3. That the role model provided by the American/Egyptian team members and the other specialist reinforces the training received.
4. All of these factors have built up confidence in the agent that he can do the job assigned.
5. This confidence is boosted periodically by the results on the ground and the warm reception the agent receives from the farmers. He is no longer an inspector giving them orders with the power of sanction.
6. He is suddenly realizing that he has power to influence behavior and that this power is generated from his newly acquired knowledge in agricultural technology and human relations.

Many of these agents see it and believe it, but they can't express it. I can predict they will never give this style up. And, if the project would fold tomorrow, it has given Egypt a nucleus of agricultural agents around which administrators can build.

The agents, however, could not do this alone and they didn't.

The specialists from a variety of sources visit the field both regularly and on emergency calls. Before Mr. Noor became Project Director, this was a weak spot in the project. However, since Mr. Noor took over, he has "opened the doors" and has tapped into "knowledge banks" of Egypt.

Thirteen agents received from 4 to 8 visits per month from project specialists and four agents reported more than 10 monthly visits. Were these visits fruitful? (Question No. 23) The agent believed they were:

Very helpful	12
Fairly helpful	4
Slightly helpful	0
No help at all	<u>1</u>
	17

All these positive reflections on the agents is good but to what extent has the project helped the Egyptian farmers? According to these agents:

To a great extent	7
To a fair extent	<u>10</u>
	17

When asked to give examples of either of the above responses, the concrete examples would indicate a significant impact. Some of the figures they gave indicated a doubling of yield. There are more firm data to test these claims, but in the perceptions of the agents, they have seen enough in their respective areas to convince them of the positive impact.

Since the project credit system is radically different from the regular system, we wondered whether the farmers had changed their views on credit since participating in the SFPF.

We asked if the agents thought the farmers had changed their views about credit since their contact with the project. The response:

Yes	16
No	<u>1</u>
	17

The one person who responded negatively qualified his response by saying that charging interest is against Muslim principles. The farmers in that one area also believed that this was so. Yet, the bank manager showed that the number and amount of loans these very same farmers applied for and received meant they really didn't practice what they preached. Other than citing this Koranic principle (and this was localized), the agents and the farmers can cite chapter and verse describing the differences between the two programs of credit, (project vs. regular).

When asked to cite the major faults of credit in rural Egypt, there is a litany of "collateral", "unrealistic repayment schedules", "complicated procedures", and "extensive time delays". By changing the loan procedures with this project in these areas, I can't see how the government could revert to the regular system completely.

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Are the agents comfortable in their jobs? (Question No. 37)

Yes	8
Yes, but	5(not enough incentive, incentive not related to performance)
No	2(too much work for the pay)
No response	2(these we did not ask this question)

The Project Director anticipated the negative reaction to incentives and has initiated a revised formula, this month (January), in Assiut during our stay. I observed the staff working on this exercise. I do not know the details, but if it relates merit evaluation with job performance it will reduce the considerable tension on this point. As one agent put it, "He who works, eats!" Meaning this is the only way to tackle the incentive pay problem.

We did ask two questions about women. We wanted to know what experiences the agents had with women. This is a mixed bag. In Assiut, the cultural values hold that women are not supposed to work in the field. If they do it, it reflects on the man in several ways. This came through quite clearly. Many of the agents did not think the women were good farm operators. But, several did admit they found a few who were better than the men. This evaluation cannot explore this topic much more than this.

In asking the agents to report what they believed were their farmers' perceptions about strengths and weaknesses in the project(Questions 27 &28), the responses were as follows:

Weaknesses - Many of these were in the nature of petty complaints, which were beyond the authority or intentions of the project. Some weaknesses didn't exist because the project was handling the complaint and it should not have been expressed as a weakness. I believe the farmers' responses would give more accurate views in this regard.

Strengths - Again, the farmers' views would be more credible. However, the agents' responses repeatedly stated:

1. New type of technical assistance
2. Good relations between farmers and agent
3. Simplified loan procedures.

(About 75% responded listing the above three strengths.)

ANNEX A - PERCEPTIONS

PART II A SUMMARY OF INTERVIEWS WITH VILLAGE BANK MANAGERS AND FINANCIAL ANALYSTS.

The schedule used to question these individuals was essentially comparable to the one used with extension agents. The only change made was directly connected with the bank situation.

Seven bank managers and nine analysts were interviewed, all through an interpreter.

<u>Age</u>	<u>No.</u>	<u>Education:</u>	<u>BS</u>	<u>Diploma</u>
30 - 34	3	Manager	3	4
35 - 39	8	Analyst	<u>4</u>	<u>5</u>
40 - 44	<u>5</u>		7	9
	16			

<u>Years on Project</u>	
1979	1
1980	0
1981	8
1982	2
Less than 1 year	5

The training of these managers and analysts was lesser in scope than with the extension agents. Their training was in the areas of: Farm Records, Calculators, Credit and Loans, with the usual follow-up of specialists and team on the informal sessions. One was taking English to qualify for the trip to the U. S. A..

Three of these men had no training in Farm Records. Two of these were managers and the other was a recently employed analyst who had received no training whatsoever. He has been on the job 4 months and could not recall any training. But, he has been visited by specialists about 10 times per month and remembers how they have helped him. Nevertheless, it seems odd that there is no scheduled orientation for new people even if he needed to be sent to another governorate for the training.

These bank people rated their training as follows:

	<u>Very helpful</u>	<u>Fairly helpful</u>	<u>Slightly helpful</u>	<u>No help</u>	<u>Total</u>
Farm Records	9	4	0	0	13
Calculator	8	2	0	1	11
Credit	6	0	0	0	6
Informal	14	0	0	0	14

The informal training is rated the best. It is apparent that training is somewhat spotty and not everyone has been exposed. In no one area have all the people been trained.

Have they had this type of training before?

Not at all	12	
To a great extent	3	- (in their schooling they claimed they did.)
To a fair extent	1	

Were they doing a good job working with farmers before they joined the project?

Accurate	10
Reasonably	4
Not accurate	1 - (no former contact before)

Apparently the most frequently mentioned items that they recall as being most helpful are:

- Feasibility studies
- Calculator skills as they apply to loan procedures
- Working with records and developing budgets.

To what extent have they changed ways in working with farmers:

To a great extent	9
To a fair extent	6
To a slight extent	0
Not at all	<u>1</u>
	16

To what extent has this change affected your working relations with farmers?

To a great extent	14
To a fair extent	1
To a slight extent	0
Not at all	<u>1</u>
	16

All sixteen considered the changes positive.

We asked how many times they were visited by a project specialist in an average month.

4 - 8 visits	9
10 (plus)	6
1 visit	<u>1</u>
	16

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Did they consider these visits helpful?

To a great extent 15
To a fair extent 1
16

The most helpful assistance came in the areas of human relations, feasibility studies, loan procedures and the need to follow-up with the farmers.

How did these bank people believe the project helped the Egyptian farmer?

To a great extent 12
To a fair extent 4
16

When asked for examples, they mentioned the simplified procedures, the ability of the farmer to receive loans without the usual collateral (mortgages), being able to obtain money without being forced to sell his crop in the field before harvest. Several mentioned the connection between credit and farm management. In fact, one suggested that a special service be created joining these two elements "under one roof."

What weaknesses and strengths do their clients report to them?

I believe two expressions are typical. For weakness, one man said, "The farmers want everything overnight and if he doesn't get it, he blames the project."

For the strengths the farmers usually praise the easy and simplified loan procedures and the technical assistance provided by the extension agents and the specialists. The farmer report will demonstrate how much the farmers like the agent to have a specialist with him.

These bank people believe the farmers have changed their views on extension. All sixteen report that and they emphasize with the same reasons of simplified procedures, no collateral, and realistic repayment schedules.

The major faults of rural credit are voiced in a comparison of the regular bank loan program with the project loan program.

Whatever they do have in number of women borrowers, they unanimously claim the women are very prompt in repayment.

Since the village banks have been given extended authority to approve loans beyond the limits of the regular bank, we asked if this made it possible to serve the farmer better.

To a great extent	14
To a fair extent	2
To a slight extent	<u>0</u>
	16

When asked if they were comfortable in their position, all but one expressed satisfaction. The one who was not comfortable defined the problem of divided authority. He was part-time. He found himself trying to serve two masters and it was very frustrating. The credit specialist supported the young man completely. Therefore, this is another area that should be studied along with the commissions given with the number of loans. Project loans do not earn commissions and we did get information that some branch bank managers sometimes bring pressure on the village bank to persuade the farmer to use the regular program.

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Frank A. Santopolo

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ANNEX A - PERCEPTIONS

PART III A SUMMARY OF INTERVIEWS WITH AMERICAN AND EGYPTIAN SPECIALISTS AND PROJECT LEADER.

Except for two project leaders, all specialists were interviewed. One training specialist was interviewed using an ad hoc format and that has been submitted separately. Two other training leaders are in process of being stationed but they were not contacted. I recommended that Dr. Feaster interview the newest farm management specialist in Assiut. I would have needed an interpreter which would have been awkward, so I told him that Dr. Feaster wanted to conduct that one.

Overall, I was impressed by the commitment of this group. Both the Americans and Egyptians work long and hard at their jobs. I received no reaction from the field that would contradict that. One will see from the extension agent responses that they received considerable help from the informal one on one contacts they had with this group. Several times they would name the specialist who had helped them in specific incidents.

Half of the Americans have been in Egypt less than one year. The other half have just returned for their second tour. All of the Egyptian counterparts have been with the project for two or more years. One began working collecting data for the project before the field staff was in place. Only one American has had no foreign experience before.

We were curious about the awareness of this group with other American sponsored projects in the area and found that 12 out of the 15 American/Egyptian team members interviewed were aware of other projects in various degrees.

Acquainted with American Projects

	<u>American</u>	<u>Egyptian</u>	<u>Total</u>
No	2	1	3
Yes	4	8	<u>12</u>
			15
If yes, which ones*			
Mechanization	0	7	7
Rice	2	3	5
Cereal	3	3	6
EWUP	2	1	3
Basic Vil. Services	0	1	1
Boston U.	0	1	1

* multiple response

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We wondered how they thought the SFPP differed when compared with these other projects, so we asked those who claimed some awareness to describe the difference.

Small Farmer Project Compared With Other American Projects

	<u>American</u>	<u>Egyptian</u>	<u>Total</u>
Don't know enough	2	1	3
Others are specialized	0	3	3
Others are research	1	0	1
SFPP is broad/general	0	1	1
SFPP is applied	0	1	1
Other	<u>1</u>	<u>1</u>	<u>2</u>
	4	7	11

Although it was obvious that these specialists knew the formal objectives of the project, we asked if they could identify the needs which the SFPP satisfied.

	<u>American</u>	<u>Egyptian</u>	<u>Total</u>
Credit	4	5	9
Agr. knowledge	1	1	2
Improved livestock	1	0	1
Mechanization	0	1	1
Management	0	1	1
More fertilizer	<u>0</u>	<u>1</u>	<u>1</u>
	6	9	15

On the other side we asked if there were items that the SFPP neglected, but in their opinion, they shouldn't. Almost half could not think of any neglected area, but there were some.

Neglected Areas That SFPP Should Consider

	<u>American</u>	<u>Egyptian</u>	<u>Total</u>
Nothing	4	2	6
Communication	1	1	2
Personnel	1	1	2
Small Machinery	0	2	2
Buildings/Facilities	0	1	1
No Machinery (Exhibits)	<u>0</u>	<u>1</u>	<u>1</u>
	6	8	14

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The communication item referred to a network that would link the SFPP delivery system with the farmer and the other knowledge systems in Egypt such as universities, experiment stations and the like. Personnel meant that the staff should be trained better before they were assigned to a field post. Buildings for the banks and storage facilities have been promised but not delivered. One Egyptian believed that the demonstration and exhibits of new machinery should not be confined to that area. Live and still exhibits of animal and plants would be received well by the Egyptian farmers.

We were curious to know what these specialists would do if they were given the authority to make changes, so we presented them with that hypothetical situation. With the exception of one of the new Americans, all had some changes in mind.

	<u>Changes</u>		
	<u>American</u>	<u>Egyptian</u>	<u>Total</u>
Don't know of any	1	0	1
Personnel/Supervision	1	3	4
Personnel/Trng. Selection	2	1	3
Coordination/Planning	1	2	3
Admin./Structure	0	1	1
Admin./Process	0	1	1
Credit Procedures	<u>1</u>	<u>0</u>	<u>1</u>
	6	8	14

It is quite evident that these specialists are not content with personnel policy, Egyptians even more so than the Americans. Half of these specialists would effect changes in personnel selection, training and supervision. Although these men did not come on too strongly for administrative changes per se, there were three who would change or upgrade the coordination and planning of the project dynamics. Since personnel is an administrative responsibility, we can say that 12 out of the 14 specialists would change something in the administrative procedure.

From the tone of the remarks and the context in which these changes were expressed, one should not infer that they were unhappy with the administrators. On the contrary, they felt that the administrators were too busy and over-worked and these adjustments would permit them to function to the level of their capabilities.

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This notion is supported by the fact that all the Americans and all but one Egyptian said that the American/Egyptian team was a success in implementing the objectives of the project. The one Egyptian qualified that response slightly, but he too believed that the team was successful.

We then asked what were the strong and weak points of the project as they had observed them. Since these were open-ended questions, it is interesting to see how the group responded.

	<u>Strengths of the SFPP</u>		
	<u>Americans</u>	<u>Egyptians</u>	<u>Total</u>
American staff	0	2	2
Egyptian staff	4	0	4
Counterpart qualifications	0	4	4
Improved relations w/farmers	0	2	2
Loan procedures	1	0	1
NA	<u>1</u>	<u>0</u>	<u>1</u>
	6	8	14

It is interesting to note that 10 out of the 14 team members identify personnel with the strengths of the project and 6 of the Egyptians mention their counterparts, and 4 of the Americans mention their counterparts. This confirms my field observations that despite some of the cultural differences and the frustrations experienced by both groups, these teams respect each other and work well together. It is my opinion that the Americans on the SFPP are living on site and the Egyptians respect that. It is also worth noting that only 3 strengths were mentioned that had no reference to counterparts.

In identifying the weaknesses, we don't receive the same clear cut trend. There is one obvious weakness, poor communication. This, however, is a condemnation of the system rather than individuals. Another area which two Americans mention is operational planning. Through informal conversations, this item was mentioned more often and more forcefully than it was in the tabular response in question 15. The lack of agenda, the neglect of order at staff meetings are some examples of inadequate operational planning.

	<u>Weaknesses of the SFPP</u>		
	<u>Americans</u>	<u>Egyptians</u>	<u>Total</u>
Poor communication	2	2	4
Operational planning	2	0	2
Personnel back-up	0	1	1
No authority for Americans	1	0	1
Not enough mechanization	0	1	1
Not enough large farmers	0	1	1
No weaknesses	1	2	3
NA	<u>0</u>	<u>1</u>	<u>1</u>
	6	8	14

As can be expected, the project does not function in a vacuum. It is linked to several support systems and the specialists' views on how well these support systems function in carrying out their role is of vital concern here. Again, in an unstructured way, these specialists were asked to judge the effectiveness of support provided by the BANK, MOA and USAID.

Bank Support

	<u>Americans</u>	<u>Egyptians</u>	<u>Total</u>
Satisfactory	1	6	7
Qualified satisfactory	4	1	5
Not satisfactory	0	1	1
No opinion	<u>1</u>	<u>0</u>	<u>1</u>
	6	8	14

MOA Support

	<u>Americans</u>	<u>Egyptians</u>	<u>Total</u>
Satisfactory	5	6	11
Qualified satisfactory	0	1	1
Not satisfactory	0	1	1
No opinion	<u>1</u>	<u>0</u>	<u>1</u>
	6	8	14

USAID Support

	<u>Americans</u>	<u>Egyptians</u>	<u>Total</u>
Satisfactory	1	3	4
Qualified satisfactory	1	0	1
Not satisfactory	3	3	6
No opinion	<u>1</u>	<u>2</u>	<u>3</u>
	6	8	14

Both Americans and Egyptians feel that the MOA is doing its job well. But when judging the Bank's support, the two groups differ a bit. The Americans give it a qualified mark of satisfactory while the Egyptians have a qualified satisfactory by only one member. But combining both satisfactory gradings, eleven out of the fourteen specialists cast a favorable vote for the Bank.

This is not true with USAID. Only 5 out of the 14 give USAID a passing grade. On the other hand, 6 give USAID a non satisfactory grade distributed equally between the two groups. Much of the dissatisfaction comes from the

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"unexplainable" and "unacceptable" delays in equipment and budget decisions which are observed by the team. They cannot understand why essential items supposedly ordered to be in the field at the initiation date of the project, are still not in the field and most of the specialists have been in the field two years. What is more irritating to the Egyptians is the unwillingness of USAID to adapt its procedures to meet the field demands and the often contradictory instructions they receive from one office as compared to another office in USAID on the same matter. The other gripe expressed by both Egyptians and Americans is the unwillingness of USAID to make a determined stand to coordinate the efforts of the AID supported agricultural projects in Egypt. According to them, the left hand does not know what the right hand is doing, yet they are supposed to be washing the same face to get it cleaner.

There is evidence of cooperation between and among the projects. But, in every case we heard about, it was due to the personal friendship of personnel, not through any coordinated effort of the USAID mission.

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ANNEX A - PERCEPTIONS

PART IV A SUMMARY OF INTERVIEWS WITH FARMERS

I. FARMER PROFILE

A total of 64 farmers, 62 male and 2 female, were interviewed in the Governorates of Sharkia, Kalyubia and Assiut. Of these, 60 were married, 1 widowed and 3 not yet married. The average ages were between 51 - 60 with the largest grouping between 41 - 60 years of age. The low number of young men in the program could be associated with two factors: (1) outflow of labor to Cairo and the Gulf States, leaving older relatives home tending the farms and (2) land shortage whereby younger men have not, or have not yet, inherited plots.

AGE OF RESPONDENTS

	20-30	31-40	41-50	51-60	61-70	Total
Kalyubia	5	9	6	8	4	32
Assiut	1	4	8	5	1	19
Sharkia	<u>2</u>	<u>1</u>	<u>3</u>	<u>6</u>	<u>1</u>	<u>13</u>
Total	8	14	17	19	6	64

Household for the purposes of this study has been defined as the productive unit living and working together with the respondent. The combined total will likely reflect a pattern such as: husband-wife-children - brother - brother's wife - their children or: husband-wife-children-one or more children's spouses-their children. The typical number of children per productive family unit was between 4-6. The majority of households consisted of husband and wife together with 3-6 other adult relatives.

HOUSEHOLD SIZE - COMPOSITION

	1. <u>Adults</u>			Total				Total
	1	2	3-6(plus)		7-10	11(plus)	N/A	
Kalyubia	2	19	11	32				
Assiut	0	9	10	19				
Sharkia	<u>0</u>	<u>2</u>	<u>11</u>	<u>13</u>				
	<u>2</u>	<u>30</u>	<u>32</u>	<u>64</u>				
	2. <u>Children</u>							
	0	1-3	4-6	7-10	11(plus)	N/A		
Kalyubia	4	7	15	2	3	1		32
Assiut	3	1	10	5	0	0		19
Sharkia	<u>3</u>	<u>5</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>		<u>13</u>
Total	10	13	30	7	3	1		64

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II. EXTENSION SERVICES

When asked how helpful the visits of the extension agents had been, 52 respondents claimed visits were 'very helpful'; one farmer considered the agent's advice harmful since on the agent's advice he had switched to a new variety of squash and had lost the entire crop.

HAVE YOU FOUND THE AGENT'S VISITS HELPFUL?

	Very	Fairly	Slightly	Harmful	No Response	Total
Kalyubia	30	1	0	1	0	32
Assiut	13	4	2	0	0	19
Sharkia	<u>9</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>13</u>
Total	52	8	2	1	1	64

All but 4 farmers said that they preferred having group visits, i.e., for the extension agent to come with more than one person. Reasons for group visits being preferred included, "they can consult together", "each contributes something", "there's more information with more than one", "you can learn something from each", "one may be wrong", "there are different points of view", "there's more knowledge when they come together", "each has a specialty." Clearly, group counselling is overwhelmingly preferred - an indicator that shared responsibility is being opted for by agents and their cohorts. Farmers claimed high ratios of weekly visits by the extension agents; never less than once a week (except in Mutiya, Assiut where visits ranged every 2 weeks to 1 time weekly) and more generally 2 - 3 times weekly.

Farmers were far from unanimous in terms of the extent to which agents talked to them about credit:

HAS HE TALKED TO YOU ABOUT CREDIT?

	Great	Fair	Slight	Not at All	Total
Kalyubia	9	19	2	2	32
Assiut	3	5	4	7	19
Sharkia	<u>9</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>13</u>
Total	21	26	7	10	64

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Landholding patterns reflected the typical fragmentation found in rural Egypt. And, as expected, there were more fragmented holdings in the Delta than in Assiut. Only three of the respondents owned no land- and these were renters of land:

FEDDANS OWNED & RENTED

1 Feddan(F)= 24 Kerats(K)	<u>KALYUBIA</u>		<u>ASSIUT</u>		<u>SHARKIA</u>	
	Owned	Rented	Owned	Rented	Owned	Rented
Landless	3	14	0	2	2	6
1K - 12K	3	5	1	0	1	1
13K - 1F	4	5	2	4	2	2
1F, 1K-1F, 12K	5	5	1	4	1	0
1F, 13K-2F	6	0	5	6	2	3
2F, 1K-2F, 12K	2	0	1	0	0	0
2F, 13K-3F	7	1	5	3	2	0
3F, 1K-3F, 12K	0	0	0	0	1	0
3F, 13K-4F	0	1	2	0	0	1
4F, 1K-4F, 12K	0	0	1	0	0	0
4F, 13K-5F	<u>2</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>2</u>	<u>0</u>
Total	32	32	19	19	13	13

Schooling: In the North, the majority of farmers had no schooling, while 4 respondents had received some college training. Assiut farmers averaged between 0-6 years schooling, with 2 respondents having college degrees. Over 1/3 of all farmers had no education whatsoever. Nearly 70% of the farmers ranged between 0-6 years schooling, i.e., either not literate or marginally literate.

SHCOOLING (Years)

	0	1-6	7-12	13-16	Total
Kalyubia	8	15	5	4	32
Assiut	6	4	7	2	19
Sharkia	<u>10</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>13</u>
Total	24	20	13	7	64

All but four farmers preferred the new - or newly trained agent over the old. Reasons given for supporting the current agent included: "He knows more about agriculture", "He has more knowledge"; "He tells me exactly what to do"; "I didn't have vegetable crops before and I need advice on these new procedures"; "He examines my crops and tells me what to do"; "He gives good advice on spraying and fertilizing"; "I'm now using new sprays"; "I have new ploughing techniques and weed removal---he understands my land"; "He answers my questions"; "He gives good advice and I have more profit"; "My fava bean yield increased from 8 to 10 ardeb"; "He gives better attention to my complaints --I no longer rely on the black market for seeds"; "I grew new crops and it increased my profits". The one negative complaint: "The crop failed --- he told me how to plant it".

From these remarks, it is not surprising to learn that the majority of farmers thought that the advice helped his farming either to a 'great'; or to a 'fair' extent:

EXTENT CHANGES HELPED FARMING OPERATION

	Great	Fair	Slight	Not at All	Other	Total
Kalyubia	12	13	1	1	5	32
Assiut	10	2	1	1	5	19
Sharkia	<u>8</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>13</u>
Total	30	20	2	2	10	64

Nor is it surprising that farmers said they had changed their ways of farming either to a 'great' or to a 'fair' extent:

EXTENT FARMERS CHANGED WAYS OF FARMING

	Great	Fair	Slight	Not at All	Other	Total
Kalyubia	16	14	1	0	1	32
Assiut	11	4	1	2	1	19
Sharkia	<u>9</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>13</u>
Total	36	21	2	2	3	64

In only one area did several farmers have specific complaints about one of the agents.

They coincide with the less frequent number of visits which respondents said that agents made to the fields. It was not possible to determine whether the problem was a result of 'bad blood'; training; or poor selection of the extension agent.

III CREDIT SERVICES

Loans: A total of 70 loans had been received by the respondents; 17 had received multiple loans while 6 had taken out no loans but were regular purchasers of agricultural inputs. Loan data were unavailable on 6 farmers from Sharkia.

LOAN PROFILE

	<u>Kalyubia</u>	<u>Assiut</u>	<u>Sharkia</u>
Production Loan	8	1	0
Pre-Harvest Loan	<u>1</u>	<u>3</u>	<u>0</u>
Sub Total	9	4	0
<u>Livestock:</u>			
Cows	0	3	0
Gamusa	13	6	0
Calves	3	6	1
Fresian	0	5	0
Chicken	2	0	0
Hatchery	2	0	0
Broilers	0	3	0
Sheep	<u>0</u>	<u>0</u>	<u>1</u>
Sub Total	20	23	2
<u>Machinery & Equipment:</u>			
General	3	4	0
Irrigation	1	0	0
Water pumps	<u>2</u>	<u>2</u>	<u>0</u>
Sub Total	6	6	0
TOTAL	35	33	2

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From the above table of loan profiles, it can be seen that livestock loans are most popular both in the Delta and the South, with gamusas being the most popular. Gamusas are an important investment for the small farmer, particularly in this time of increasing food prices. They provide cheese and butter for household consumption (excesses will be marketed locally), manure for fertilizer and 'gillah' (cow dung patties used in bread baking) and calves which can be sold either for meat (if male) or for resale (if female).

There were twice as many loans given out in the North for agricultural purposes and most of these loans reflected movement into cash crops (vegetables). Agricultural loans in the South, on the other hand, were more frequently related to improvements of traditional crops (wheat, maize, cotton) and some limited movement into cash crops (particularly tomatoes and onions).

Loans given out for machinery were more popular in the South and reflect the growing concern in the area over real or perceived shortage of labor.

Credit system changes: Of those responding, nearly all claimed to have had problems getting credit in the past. It is unclear why farmers in Sharkia responded negatively to this question.

	<u>TROUBLE GETTING CREDIT IN PAST</u>		
	Yes	No	Total
Kalyubia	23	0	23
Assiut	12	0	12
Sharkia	<u>1</u>	<u>8</u>	<u>9</u>
Total	36	8	44

When asked if they had noted differences between credit given through the project and the bank's regular credit program, over 80% responded yes:

	<u>HAVE YOU NOTICED DIFFERENCES IN THE CREDIT GIVEN THROUGH THE PROJECT AND THE BANK'S REGULAR CREDIT PROGRAM?</u>			
	Yes	No	N/A	Total
Kalyubia	26	2	4	32
Assiut	17	1	1	19
Sharkia	<u>13</u>	<u>0</u>	<u>0</u>	<u>13</u>
Total	56	3	5	64

Later on, when asked if their credit needs were adequately met two years ago, 50% responded no:

WERE YOUR CREDIT NEEDS MET ADEQUATELY 2 YEARS AGO?

	Yes	No	N/A	No Response	Total
Kalyubia	13	15	3	1	32
Assiut	8	10	1	0	19
Sharkia	<u>9</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>13</u>
Total	30	29	4	1	64

When asked if their credit needs were being met now, all responded yes.

I suggest that the SFPP credit program has provided a source of money and related extension services which have allowed farmers to move into new areas - particularly those of vegetable (cash) cropping and gamusa purchase. The latter is probably an important mechanism in allowing poorer farmers to purchase a gamusa himself, rather than entering a 'shirka' (partnership) with a wealthier farmer. But more data needs to be gathered on this important movement from 'share cropping' gamusas to individual ownership. If this is happening, then it is an important indicator of project success with the small poor farmer.

All but one person (in Mutiya) was pleased with the length of time it took to process loans - in the majority of cases, only one day. As many farmers said, "There's less routine now and I'm not asked just to come back tomorrow or next week".

When asked if their image of the bank had changed in the past year (or since the project began), over 80% responded yes:

HAS YOUR IMAGE OF THE BANK CHANGED?

	Yes	No	N/A	No Response	Total
Kalyubia	24	2	4	2	32
Assiut	15	2	1	1	19
Sharkia	<u>13</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>13</u>
Total	52	4	5	3	64

Frequent comments in contrasting the 'before' and 'after' differences included the following: "The bank had little money to lend (before)"; "The loans are quicker with less paper work now"; "The project provides us with more money"; "Getting credit took a very long time before"; "It's easier to

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get credit now and this changes the ways of the farmers"; "With the help of credit, I've increased my profits"; "There were high interest rates in the bank before"; "I finished the loan arrangements right away"; "We get what we want and the operation is clean"; "The bank is better -- the people like us to come now"; "Our demands are satisfied now"; "It's much faster now - before there was too much routine and bank workers did nothing". One disgruntled farmer in Mutiya said, "It took me 20 days to get my credit (from the project)!"

Farmers are overwhelmingly pleased with the credit program: A frequent complaint of the 'old system' - aside from there "not being any money" and "being too much routine" was the lack of sufficient collateral on the part the farmers, to qualify for loans. As one farmer said, "What can I do with LE 20 - that's how much the bank would have allowed me to borrow before the project came".

IV. ABOLISHING THE PROJECT

Farmers were asked to discuss the effects on their farming activities if the project were to be abolished. Their responses can be grouped into the following major categories. Each category reflects a major area in which the farmer felt there would be personal loss if the project were terminated:

WHAT WOULD BE THE EFFECTS ON YOUR FARMING
IF THE PROJECT WERE TERMINATED?

<u>Project Input</u>	<u>No. of Responses in this area</u>
Gamusa	15
Production inputs	14
Ease of Loans-availability of credit	8
Increased profits	6
Advice from agents	9
Hatcheries - broilers - calves	4
Machinery	4
Fresian	3

Everyone who had taken a loan for a gamusa said that without the project providing them a loan, they would suffer from not having the

cheese and butter for household consumption. (Two responses were from people who planned to take out loans for gamusas in the coming year.) Included under production inputs were observations such as "There would be less money available for the farm"; "I couldn't get the new vegetable seeds;" "I want to try new seeds next year"; "My crop yield has doubled"; "My land would suffer without it (i.e., the production inputs)".

All respondents were unanimous in wanting to see the project continue - and several suggested it ought to expand to include more people.

V. WHAT DOES THE PROJECT LACK

Farmers were asked what areas did they feel the project was either weak in, or ought to expand to include. Responses can be categorized into the following areas:

Category	Assiut	Delta	Total
Feed Concentrate (Cattle, Chicken)	8	10	18
Machinery	8	1	9
Irrigation & water improvements	3	3	6
Expand project to more people	0	6	6
Goats-ducks-geese (small animals)	0	5	5
Fresian	0	2	2

The following additional suggestions were given:

- Larger projects should be funded
- Dairy processing
- Strengthen the veterinary unit
- Loan interest should be less
- Cattle fattening
- Chicken hatchery
- Send a group of farmers from the area to America
- Loans for household expenses
- Insecticides not available just when needed

Fourteen farmers said that they could think of no improvements and felt the project was good "as it is". As one farmer said, "I get a profit, so I don't think of any problems". Another farmer said, "We can get what we want."

Feed concentrate was by far the largest constraint farmers in both areas saw - both in terms of current project success and future expansion.

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The price on the black market is upwards of 4 times as much as the subsidized concentrate - but, as one farmer commented, "My fresians have to have their feed at night and so ofcourse I have to go ahead and buy at the black market price because there just isn't any (subsidized) concentrate available in the coop".

The impact of perceived labor shortage is clearly visible in the desire of Assiut farmers over Delta farmers for equipment. Most frequently requested mechanization items included parts for tractors, cotton stalk mowers and roto tillers - the latter two reflecting the recent introduction of several pieces of these equipment into the area.

Irrigation is a greater problem in the South than in the Delta. However, 3 respondents in Benha did complain of problems with water pumps. The Assiut respondents were concerned that the project should support the introduction of more artesian wells down to the water table, to help solve the water problems there.

Some comments and suggestions made by farmers include the following: "We especially need equipment for the tractors. Also, we have big problems with our irrigation and we need to have more irrigation machinery. For example, we need to have pumps to bring up water from the water table and pipes for this. Also, we have some problems here with not enough tractors - we need access to more tractors." "We really need to have a better understanding of the project - and to know what are more of the new things we could have access to. We also need to have a better understanding of what we can get for credit through the program." "I sometimes know more than the agent about certain things - like fertilizing- and there needs to be standardizing of his knowledge and teaching of these things" (this comment from Mutiya). "There is need for the farmers who take a loan to become different from the others - they should have more knowledge, for example!" "We need to have a cream separator (in our home) and I ask for one, but the agent says, always, tomorrow - I know they exist in the project. My wife wants to work it herself and charge other people for using it - we have about 31 in the village but that's not enough" (this comment from Mutiya). "We small farmers need to have more attention paid to us - to give information to us so our production will increase. We need cooperation even more than exists now. I want to grow some new crops next year - potatoes and tomatoes - and I need help with this." " We need more help in getting equipment."

"There needs to be an even better organization and help in getting credit."
"We die from the small amount of concentrate available - we need more -
and we need someone to look after the concentrate and be sure it's always
available". "With respect to the irrigation, we need machinery - pipes to
ease the passage of water. This is really the most important thing. With-
out water (there's not enough in the summer), we really die in our work."

VI RECOMMENDATIONS

The over-all success of this project with farmers demonstrates the effectiveness of a combined credit and farm management program directed to small farmers. 'Small', however, ought not be confused with 'poor'. It is not clear - nor was it possible to determine in the short period of evaluation, the socio-economic category(s) of farmers being selected. This is an important question, and one which needs to be addressed in the future. Since all but 3 are landowners, it seems clear the project is favoring a certain category of landed farmer. Whether the 'selection' process is determined by bank-agents, local socio-political elite or (more likely) a combinations of these factors, needs to be understood in order to knowledgeably broaden the selection process in the future.

Although extension agents were favorably evaluated by farmers, overall remarks indicated that more effort needs to be directed by the agents in explaining the project and specific parts thereof. As several thoughtful farmers said, "I don't really understand what this project is all about --- if I understood the project better, I would know what I could benefit from."

Moving into new crops has entailed new agricultural procedures. While agents are advising, it seems likely from respondents that there is not a close enough 'hands on' supervision by agents of farms moving into these new activities. It's not good enough selling the farmer a new seed variety, telling him what to do, and then expecting it will be done in the new way - without careful supervision. Responses indicate that the project needs to know in more detail how thorough this supervision is.

When new inputs do not come (as more farm machinery not coming into Assiut just yet - or delays in fresian cattle being delivered), farmers need to be told why. Is this a failure on the part of extension agents in not relaying information? Farmers will be more amenable to what they see as project 'failures' or 'weaknesses' if they are told the exact reasons for certain omissions or delays.

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Diana de Treville

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ACDI EVALUATION

NO. _____

Extension Agent

1. Governorate: _____

2. Markaz: _____

3. Village Bank: _____

4. Age: _____ Years

5. Education:

a. B.S. _____

b. M.S. _____

c. Ph.D. _____

d. No college degree: _____

6. When did you join the Small Farmer Project? _____

7. Have you gone abroad for training since this date? Yes _____ No _____

8. Have you made use of this foreign training on the job? Yes _____ No _____

9. Over-all, how helpful was this training for you?

- Very helpful

- Fairly helpful

- Slightly helpful

- No help at all

- Harmful

- Don't know Don't recall.

- Other (specify)

مفيد جدا

مفيد بدرجة متوسطة

مفيد قليلا

غير مفيد

ضرر

لا يعرف

أخرى

10. If helpful, how has it helped? _____

11. Have you had any other training since you joined this project? Yes _____ No _____

Name TrainingDates of TrainingLocation

a. _____

b. _____

c. _____

d. _____

12. Which of these training experiences was:

- Very helpful

- Fairly helpful

- Slightly helpful

- No help at all

مفيد جدا

مفيد بدرجة متوسطة

مفيد قليلا

غير مفيد

in your work with the farmers.

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13. Were you ever exposed to this type of training before joining the project?

- To a great extent
 - To a fair extent
 - To a slight extent
 - Not at all
 - Don't know/Don't Recall
- لحد كبير
لحد معقول
لحد بسيط
لاشي
لايعرف

14. If you were forced to identify the "skill" , "idea" or "bit of knowledge" which you learned from the training you received on this project and that you believe has helped you most in working with farmers, which would it be?

1) _____

(Next) 2) _____

15. "I assume you worked as an extension agent before you joined this project and you believed you were doing a good job working with farmers." Is that an accurate statement?

- Accurate as far as you know
 - Reasonably accurate
 - Not accurate
 - Don't know/Don't recall
 - Other
- دقيق
دقيق لحد معقول
غير دقيق
لايعرف

16. To what extent have you changed your ways in working with farmers?

- To a great extent
 - To a fair extent
 - To a slight extent
 - Not at all
 - Don't know/Don't Recall
 - Other
- لحد كبير
لحد معقول
لحد بسيط
لاشي
لايعرف
أخرى

Describe _____

17. To what extent has this change affected your working relations with farmers?

- To a great extent
 - To a fair extent
 - To a slight extent
 - Not at all
 - Don't know/Don't Recall
 - Other
- لحد كبير
لحد معقول
لحد بسيط
لاشي
لايعرف
أخرى

18. Has the change had a positive or negative impact on the farmer?

Positive _____ Negative _____

19. How many farmers do you work with? _____

20. How many visits do you average with each of these farmers per month? _____

21. On the average, how much time do you spend with the farmer on each visit? _____

22. How many times per month are you visited by the project specialists?

23. Do you believe these visits are:

- Very helpful
- Fairly helpful
- Slightly helpful
- No help at all
- Harmful
- Don't know/Don't recall
- Other (specify)

مفيد جدا
مفيد بدرجة متوسطة
مفيد قليلا
غير مفيد
ضرر
لا يعرف
أخرى

24. If you were suddenly promoted to be a supervisor of 20 agents who resembled you in skills, knowledge and attitude as you were 3 years ago, what three (3) items would you stress in their orientation training?

- (Order of importance) 1. _____
2. _____
3. _____

25. If you were promoted to Mr. Noor's position in this project, what would you add, drop, continue?

Add: _____

Drop: _____

Continue: _____

26. Based on your experience with farmers in Egypt, to what extent has this project helped the small farmers?

- To a great extent
- To a fair extent
- To a slight extent
- Not at all
- Don't know/Don't Recall
- Other

لحد كبير
لحد معقول
لحد بسيط
لاشي
لا يعرف
أخرى

27. In your opinion, what weaknesses did the farmers see in this project?

28. What strengths did they see?

29. Have the farmers with whom you have worked changed their views about credit since their contact with this project? Yes _____ No _____

Explain _____

30. From "your farmers'" point of view, what are the major faults of rural credit for Egyptian farmers?

ANNEX B - PART II

ACDI EVALUATION

NO. _____

- Village Bank Mgr.
- Financial Analyst

1. Governorate: _____
2. Markaz: _____
3. Village Bank: _____
4. Age: _____ Years

5. Education:
- a. B.S. _____
- b. M.S. _____
- c. Ph.D. _____
- d. No college degree: _____

6. When did you join the Small Farmer Project? _____
7. Have you gone abroad for training since this date? Yes _____ No _____
8. Have you made use of this foreign training on the job? Yes _____ No _____
9. Over-all, how helpful was this training for you?

- Very helpful مفيد جدا
- Fairly helpful مفيد بدرجة متوسطة
- Slightly helpful مفيد قليلا
- No help at all غير مفيد
- Harmful مضر
- Don't know. Don't recall لا يعرف
- Other (specify) أخرى

10. If helpful, how has it helped? _____

11. Have you had any other training since you joined this project? Yes _____ No _____

<u>Name Training</u>	<u>Dates of Training</u>	<u>Location</u>
a. _____	_____	_____
b. _____	_____	_____
c. _____	_____	_____
d. <u>Informal Training : (1:1)</u>	_____	_____

12. Which of these training experiences was:

- Very helpful مفيد جدا
- Fairly helpful مفيد بدرجة متوسطة
- Slightly helpful مفيد قليلا
- No help at all غير مفيد

in your work with the farmers.

13. Were you ever exposed to this type of training before joining the project?

- To a great extent لحد كبير
- To a fair extent لحد معقول
- To a slight extent لحد بسيط
- Not at all لاشي
- Don't know/Don't Recall لايعرف

14. If you were forced to identify the "skill" , "idea" or "bit of knowledge" which you learned from the training you received on this project and that you believe has helped you most in working with farmers, which would it be?

1) _____

(Next) 2) _____

15. "I assume you worked as a Bank **Employee** before you joined this project and you believed you were doing a good job working with farmers." Is that an accurate statement?

- Accurate as far as you know دقيق
- Reasonably accurate دقيق لحد معقول
- Not accurate غير دقيق
- Don't know/Don't recall لايعرف
- Other

16. To what extent have you changed your ways in working with farmers?

- To a great extent لحد كبير
- To a fair extent لحد معقول
- To a slight extent لحد بسيط
- Not at all لاشي
- Don't know/Don't Recall لايعرف
- Other أخرى

Describe _____

17. To what extent has this change affected your working relations with farmers?

- To a great extent لحد كبير
- To a fair extent لحد معقول
- To a slight extent لحد بسيط
- Not at all لاشي
- Don't know/Don't Recall لايعرف
- Other أخرى

18. Has the change had a positive or negative impact on the farmer?
 Positive _____ Negative _____
19. How many farmers do you visit with in your office during a normal work week? _____
20. How many field visits do you average with farmers per month? _____
21. On the average, how much time do you spend with the farmer on each visit? _____
22. How many times per month are you visited by other project personnel? _____

23. Do you believe these visits are:

- Very helpful
- Fairly helpful
- Slightly helpful
- No help at all
- Harmful
- Don't know/Don't recall
- Other (specify)

مفيد جدا
 مفيد بدرجة متوسطة
 مفيد قليلا
 غير مفيد
 ضرر
 لا يعرف
 أخرى

24. If you were suddenly promoted to a supervisor of several people in your position who resembled you in skills, knowledge and attitude as you were 3 years ago, what three (3) items would you stress in their orientation training?

- (Order of importance) 1. _____
 2. _____
 3. _____

25. If you were promoted to Mr. Noor's position in this project, what would you add, drop, continue?

Add: _____

Drop: _____

Continue: _____

26. Based on your experience with farmers in Egypt, to what extent has this project helped the small farmers?

- To a great extent
- To a fair extent
- To a slight extent
- Not at all
- Don't know/Don't Recall
- Other

لحد كبير
 لحد معقول
 لحد بسيط
 لاشي
 لا يعرف
 أخرى

Best Available Document

27. In your opinion, what weaknesses did the farmers see in this project?

28. What strengths did they see?

29. Have the farmers with whom you have worked changed their views about credit since their contact with this project? Yes _____ No _____

Explain _____

30. From "your farmers'" point of view, what are the major faults of rural credit for Egyptian farmers?

31. How many women borrowers do you estimate you have:

In the Village Bank ? _____

In the project ? _____

32. Before this project, how many women borrowers did you have ? _____

33. How do women borrowers compare with male borrowers in carrying out their projects and repaying their loans?

Projects

Repayment

Better _____

The same _____

Not as good _____

34. Has the delegated loan approval authority to the village bank through the project made it possible to better serve the farmer's credit needs.

- To a great extent
- To a fair extent
- To a slight extent
- Not at all
- Other

لحد كبير
لحد معقول
لحد بسيط
لاشي
أخرى

ACDI EVALUATION

NO. _____

- 1. Position:
 - Project Director
 - Amer. Specialist())
 - Egyptian Counter Part ())
- 2. Governorate: _____
- 3. Markaz _____
- 4. Village Bank _____

5. How long have you worked in this position? _____ years.

6. How long have you been acquainted with the Small Farmer Production Project ?

7. In your own words, what is the major purpose of this project ?

8. Are you acquainted with any other U.S. sponsored project ?

_____ yes, _____ No Name Projects: _____

9. When compared with the other projects, what is different about the Small Farmer Project ?

10. In your opinion, what needs of the farmer does the Small Farmer Project satisfy ?

11. What does the project neglect that it shouldn't ?

12. If you had the authority, what would you change ?

Are there any major constraints now that you would eliminate ?

13. How effective do you believe the American/Egyptian team has implemented the objectives of the project ?

14. What are the major strengths of the project ?

15. What are the major weaknesses ?

16. How effective have the Bank, Ministry of Agric., USAID been in Supporting the efforts of the project ?

17. What kind of problems have you encountered on this project as a result of working with people from a different culture ?

Communication - _____

Mgt. Style - _____

Knowledge/Skill Level - _____

Work Habits - _____

18. If you were to expand this project in this or a new governorate, what kind of American and Egyptian technical assistance would you demand?

ACDI EVALUATION

No. _____

Farmer

1. Governorate _____
2. Markaz _____
3. Village Bank _____
4. Age: _____ 5. Sex _____
6. Marital Status:
- _____ a. Married No. of wives living _____
- _____ b. Widowed
- _____ c. Divorced
- _____ d. Never Married
7. Major support for: No. Adults _____ (include respondent)
- Children under 16 _____
8. Feddans: Owned _____ Rented _____
9. Schooling _____
10. Main occupation? Agriculture _____ Non-agriculture _____
11. Do you know the extension agent of this village? Yes _____ No _____
12. How many times has he visited you each month in the last few months? _____
13. Have you found his visits helpful?
- Very helpful مفيد جدا
- Fairly helpful مفيد بدرجة متوسطة
- Slightly helpful مفيد قليلا
- No help at all غير مفيد
- Harmful ضرر
- Don't know/Don't recall لا يعرف
- Other (specify) أخرى
14. Does he visit you alone or does he come with someone else?
- _____ Alone _____ With someone
15. Would you prefer that he come: _____ Alone _____ With someone
- Why? _____
16. When did the extension agent first visit you? Year _____
17. Has he ever talked to you about credit? Yes _____ No _____
- If yes:
- To a great extent لحد كبير
- To a fair extent لحد معقول
- To a slight extent لحد بسيط
- Not at all لاشي
- Don't know/Don't Recall لا يعرف
- Other أخرى

18. Does this extension agent understand your farm operation well enough to help you? Yes _____ No _____

19. Were you ever visited by an extension agent before this one? Yes _____ No _____

20. Whose advice would you trust most?

_____ The past agent's

_____ This one's

Why? _____

21. To what extent have you changed your ways of farming after hearing this extension agent's advice?

- To a great extent

- To a fair extent

- To a slight extent

- Not at all

- Don't know/Don't recall

- Other

لحد كبير
لحد معتول
لحد بسيط
لاسى
لا يعرف
اخرى

22. To what extent have these changes helped your farming operation?

- To a great extent

- To a fair extent

- To a slight extent

- Not at all

- Don't know/Don't recall

- Other

لحد كبير
لحد معتول
لحد بسيط
لاسى
لا يعرف
اخرى

23. Have you always had money to make the recommended changes?

Yes _____ No _____

If no, were changes extended because of lack of money

24. Have you had trouble receiving credit in the past? Yes _____ No _____

If yes, has the situation changed in the past two (2) years? Yes _____ No _____

Explain: _____

with credit

25. To what extent would your experience/be similar to your neighbor's?

- To a great extent
- To a fair extent
- To a slight extent
- Not at all
- Don't know/Don't Recall
- Other

لحد كبير
 لحد معقول
 لحد بسيط
 لاشي
 لايعرف
 أخرى

26. Do you work off the farm regularly? Yes ___ No ___

To what extent must you work off the farm to provide your family a decent living?

- To a great extent
- To a fair extent
- To a slight extent
- Not at all
- Don't know/Don't recall
- Other

لحد كبير
 لحد معقول
 لحد بسيط
 لاشي
 لايعرف
 أخرى

27. Have you noticed any differences between credit given through the project and the Bank's regular credit program? Yes ___ No ___

a. Types of enterprises

b. Amount loaned on enterprise: _____

c. Length of process time _____

d. Bank contact with farmer: _____

28. Has your image of the Bank changed in the past year? Yes ___ No ___
Explain _____

29. Were your credit needs adequately met two (2) years ago? Yes ___ No ___
Explain _____

30. Are they being met now? Yes ___ No ___
If not, what is needed to meet them? _____

31. If the project were required to ask two percent (2%) more for interest
on loans, would you continue to borrow from the project? Yes ___ No ___
Comment _____

32. If the project were abolished, what would be the effects on your farming
activities (project's)?

ANNEX C

TABLE I
 LAND ACQUISITION FOR CONSTRUCTION SITES
 FOR
 VILLAGE BANKS AND AGENCIES
 SHARKIA GOVERNORATE
 THROUGH JANUARY, 1983

Date Acquired	Location	Intended Use	Area (Kirats)	Cost (LE)
		(No room		
Bank Owned	Aslougi	V.B.(for agency	4.3	-
Jan. 1, 1983	Kafr Awadalla	Agency	5.0	7,500
	Higazy			
June 15, 1982	Meet ABu Ali	Agency	5.5	10,450
April 17, 1982	Tarout	Agency	4.0	3,371
Bank Owned	Kafr Ayoub	V.B./Agency	7.0	-
June 22, 1982	Minyet Senta	Agency	5.0	5,000
June 22, 1982	El Kateba	Agency	5.75	9,000
Gov't. Land				
April 28, 1982	El Saadat	Agency	3.5	-
June 10, 1982	El Tahwa	Agency	6.0	5,700
Nov. 17, 1982	Kafr El Kadim	Agency	6.0	9,000
June 15, 1982	Neshwa	Agency	5.1	10,440
Jan. 11, 1983	Mobasher	V.B./Agency	5.0	3,000
Sept. 6, 1982	Shobra El Nakla	V.B./Agency	6.1	9,855
Bank Owned	El Gosak	Agency	5.0	-
Sept. 26, 1982	Kafr Akyad	Agency	5.0	2,800
Bank Owned	Zankalon	V.B./Agency	6.0	-
Dec. 29, 1982	Tel Hawen	Agency	3.6	1,500
Nov. 3, 1982	Mond Gawesh	Agency	6.0	12,000
Bank Owned	Abu Frakh	Agency	4.3	-
Aug. 10, 1982	Kafr Yousef Salama	Agency	5.5	8,800
Bank Owned	Ibrahimia	V.B./Agency	7.7	-
March 7, 1982	El Halawat	Agency	5.4	2,000
June 6, 1982	Tel Mohamed	Agency	8.1	7,090
TOTAL COST				107,506
AVERAGE COST PER PURCHASED SITE				6,719

ANNEX C

TABLE II LAND ACQUISITION FOR CONSTRUCTION SITES
FOR
VILLAGE BANKS AND AGENCIES
KALYUBIA GOVERNOARATE
THROUGH JANUARY, 1983

Date Acquired	Location	Intended Use	Dimensions Per Survey (Meters)	Cost (LE)
Jan. 3, 1982	Sandanhour	V.B./Agency	55 x 48	45,000
July 31, 1982	Kafr Sandanhour	Agency	25 x 30	9,428
Aug. 21, 1982	Mogol	Agency	25 x 45	11,700
Oct. 27, 1981	Farsis	Agency	25 x 45	11,000
Jan. 16, 1983	Tersa	V.B./Agency	35 x 60	48,000
Feb. 8, 1982	Shoubra Hare	Agency	30 x 35	12,000
Feb. 20, 1982	Kaker El Gemal	Agency	25 x 45	21,000
Nov. 28, 1982	Kaha	V.B./Agency	45 x 47	73,500
April 24, 1982	Senhera	Agency	90 x 73*	12,950
March 30, 1982	Namol	Agency	35 x 35	8,400
Dec. 12, 1981	Khilwat Senhera	Agency	25 x 30	9,000
TOTAL COST				261,978
AVERAGE COST PER PURCHASED SITE				23,816

* Triangular parcel

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ANNEX C

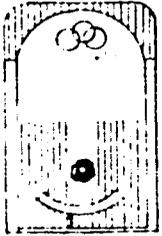
TABLE III LAND ACQUISITION FOR CONSTRUCTION SITES
FOR
VILLAGE BANKS AND AGENCIES
ASSIUT GOVERNORATE
THROUGH JANUARY, 1983

Date Acquired	Location	Intended Use	Area (Kirats)*	Cost (LE)
Nov. 30, 1982	Deir Show	Agency	10.0	6,500
Sept. 23, 1982	Awlad Ibrahim	Agency	11.5	11,500
Nov. 1, 1982	Gexiret Bahig	Agency	8.0	672
June 30, 1982	Karmasi Korkares	Agency	8.0	7,598
June 28, 1982	El Kasr	Agency	8.3	9,120
June 28, 1982	El Massara	V.B./Agency	15.7	18,900
Dec. 1, 1982	El Hammam	V.B./Agency	15.0	22,500
Dec. 4, 1982	Bakour	Agency	14.0	14,000
Bank Land	Abu Tieg	V.B./Shouna/ Agency**		
TOTAL COST				90,700
AVERAGE COST PER PURCHASED SITE				11,338

*1 Kirat equals 175 square meters.

**In excess of 5 feddans of bank owned land from which sites for a shouna, village bank and agency are to be selected.

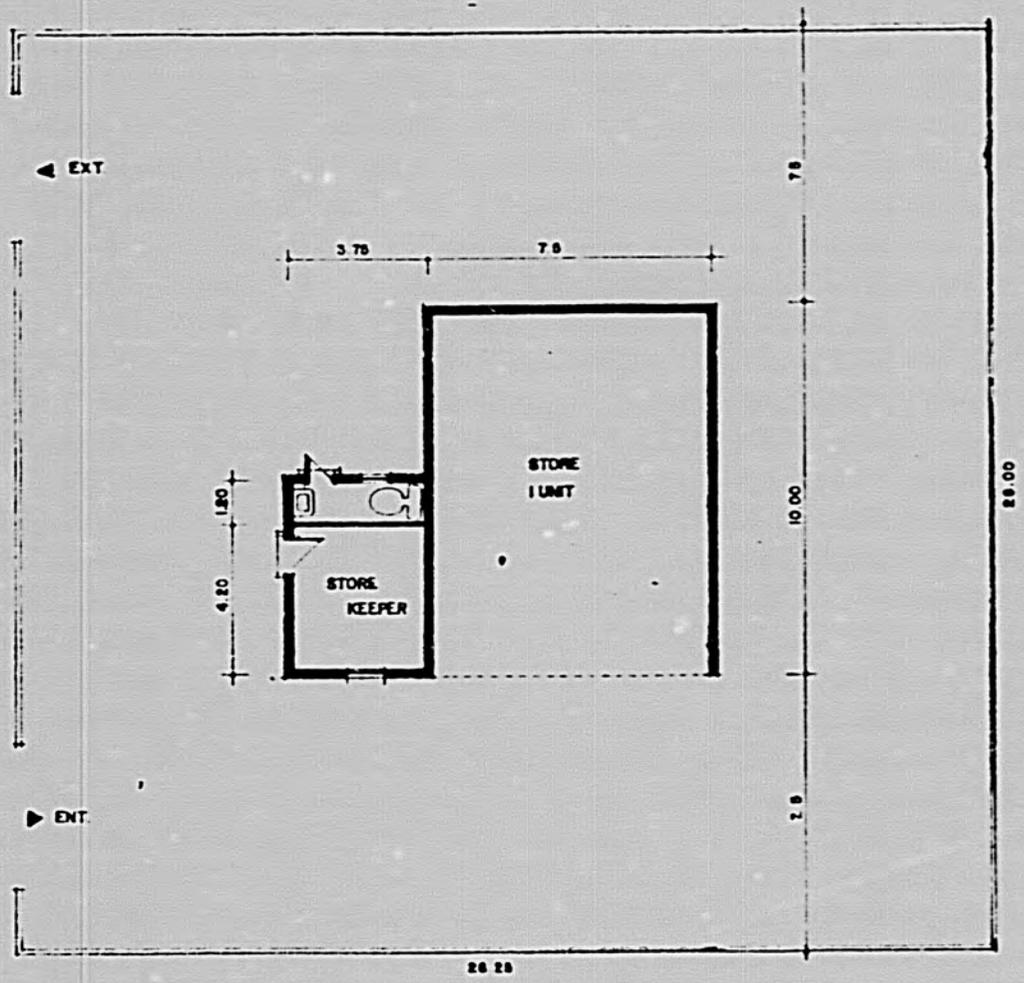
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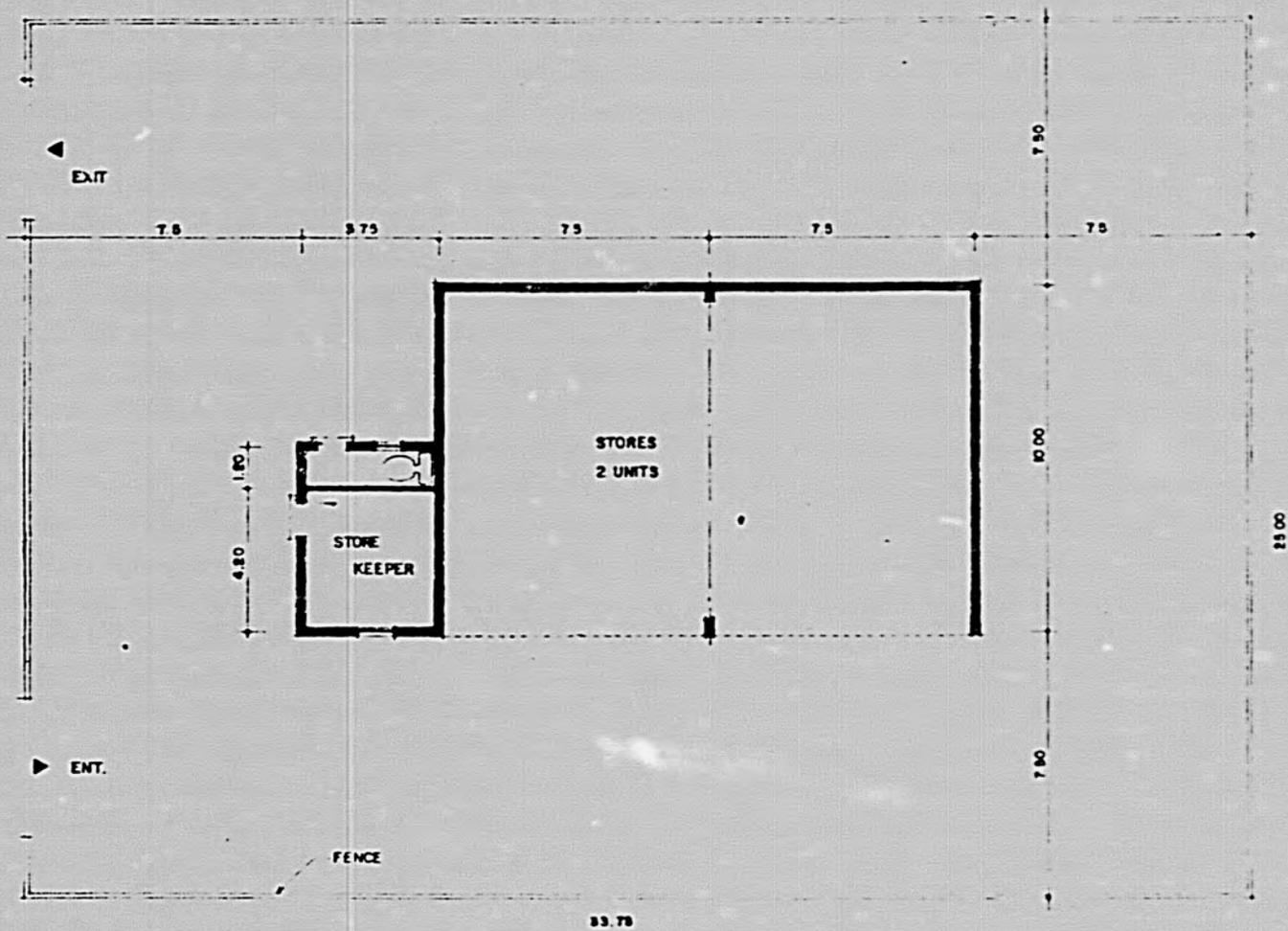
SMALL FARMER PRODUCTION
PROJECT

PRINCIPAL BANK FOR DEVELOPMENT
& AGRICULTURAL CREDIT

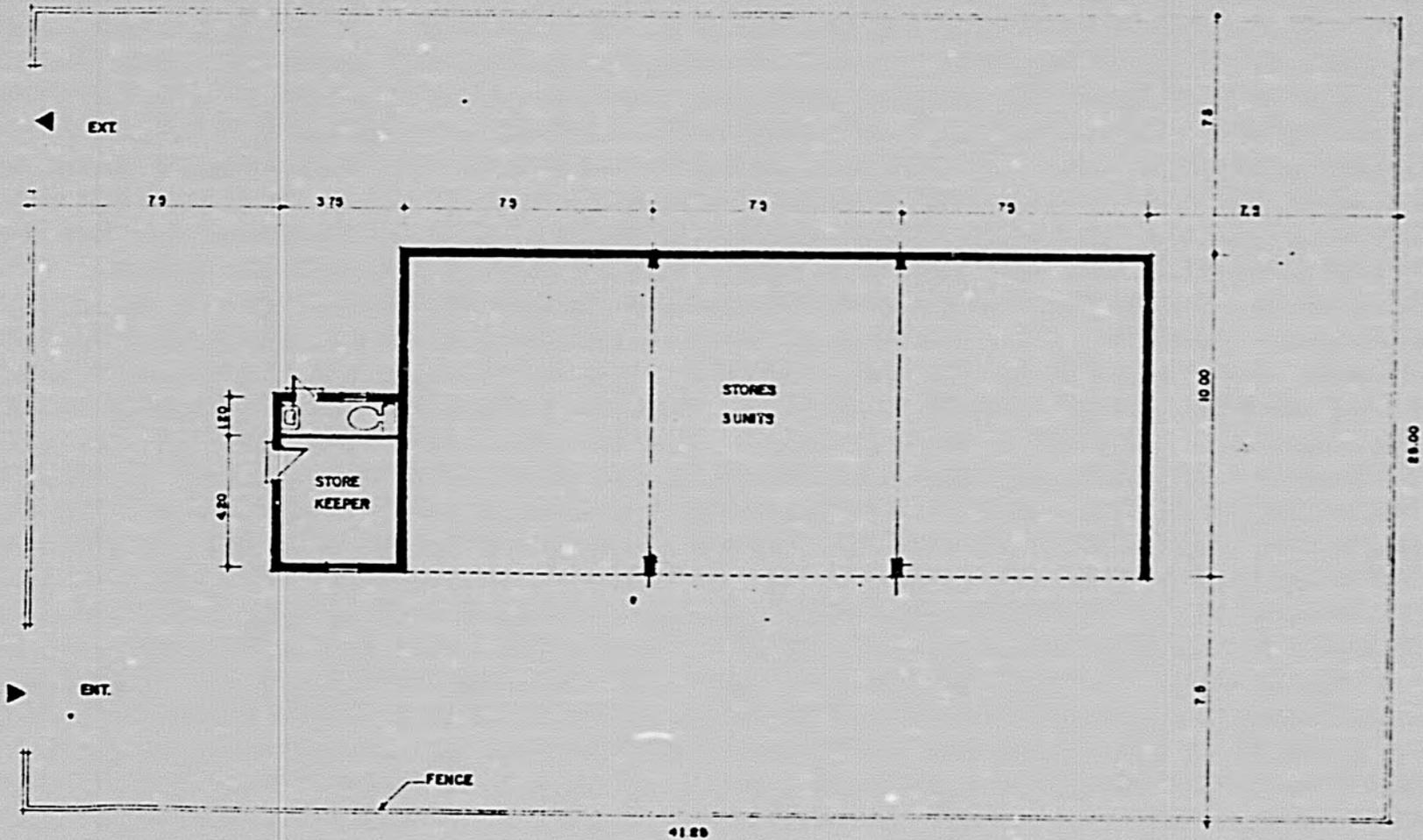
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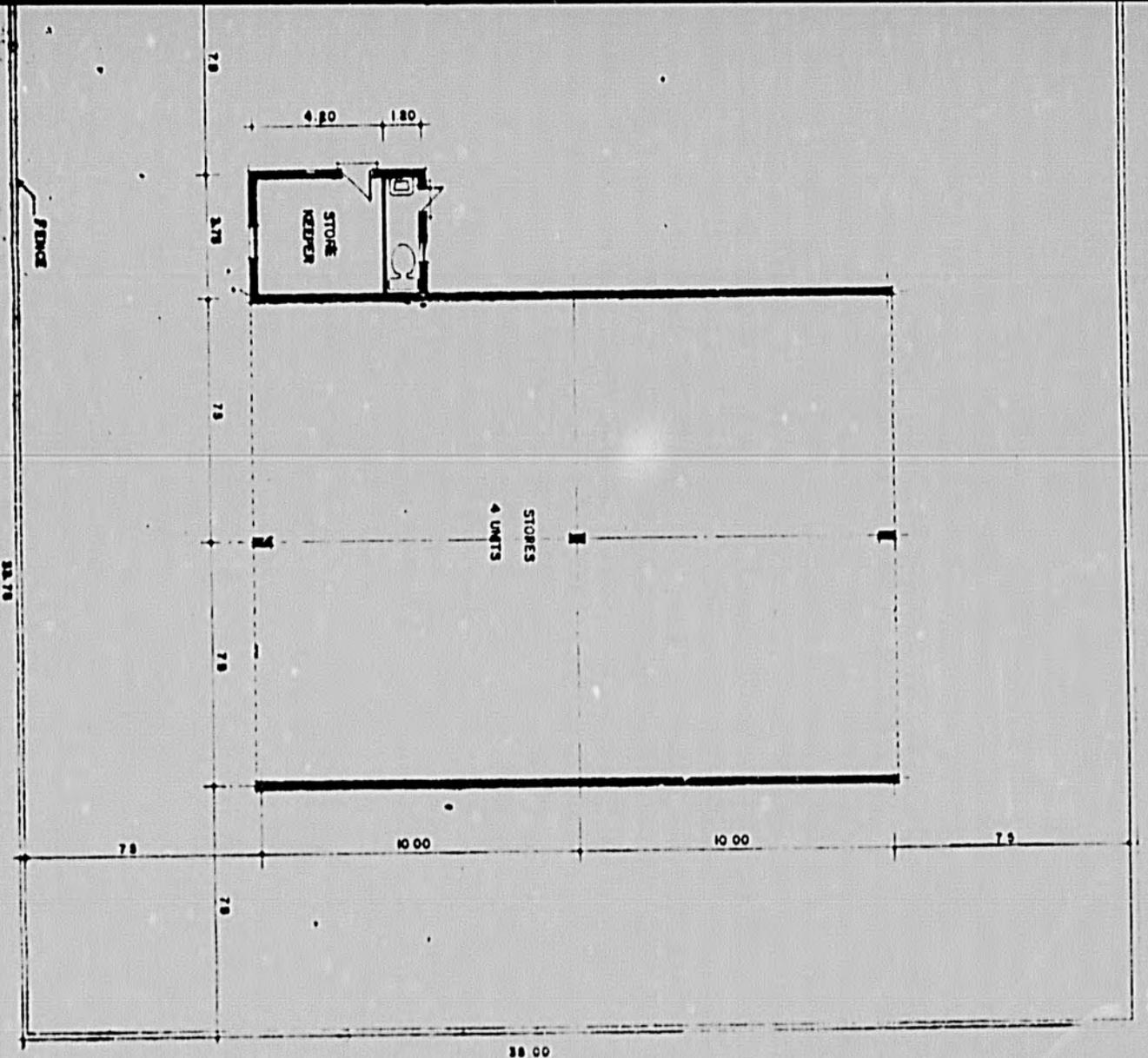


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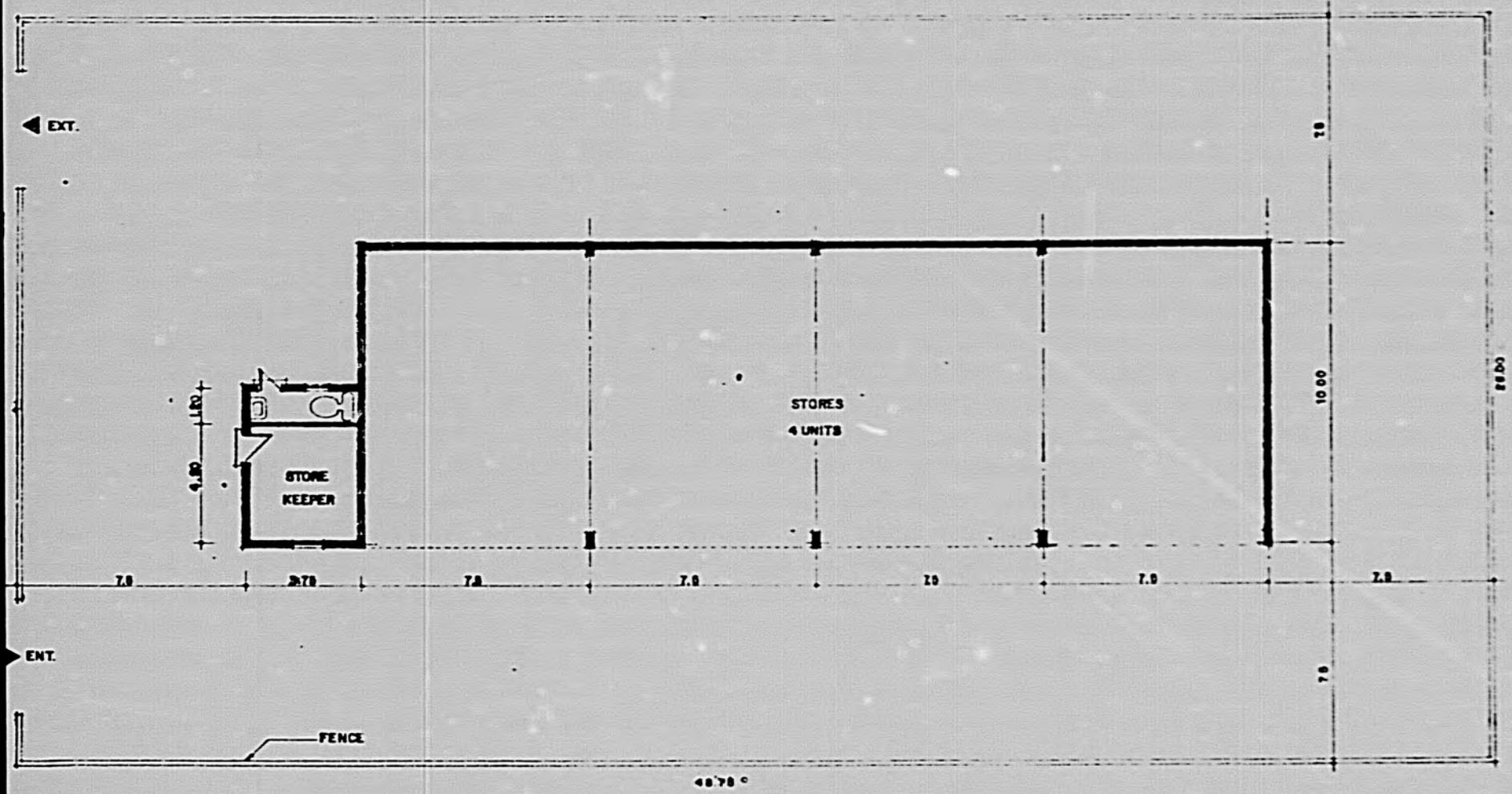
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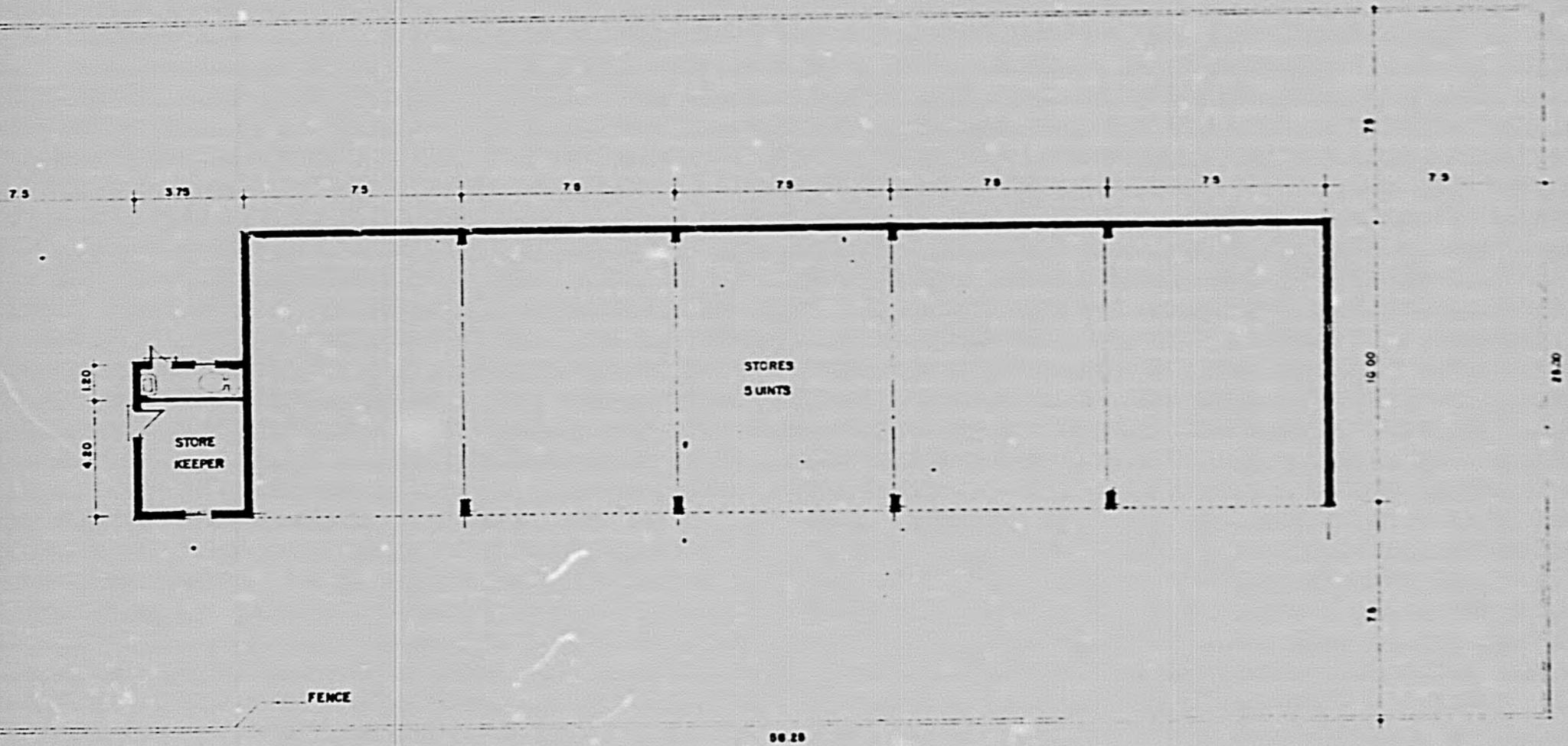


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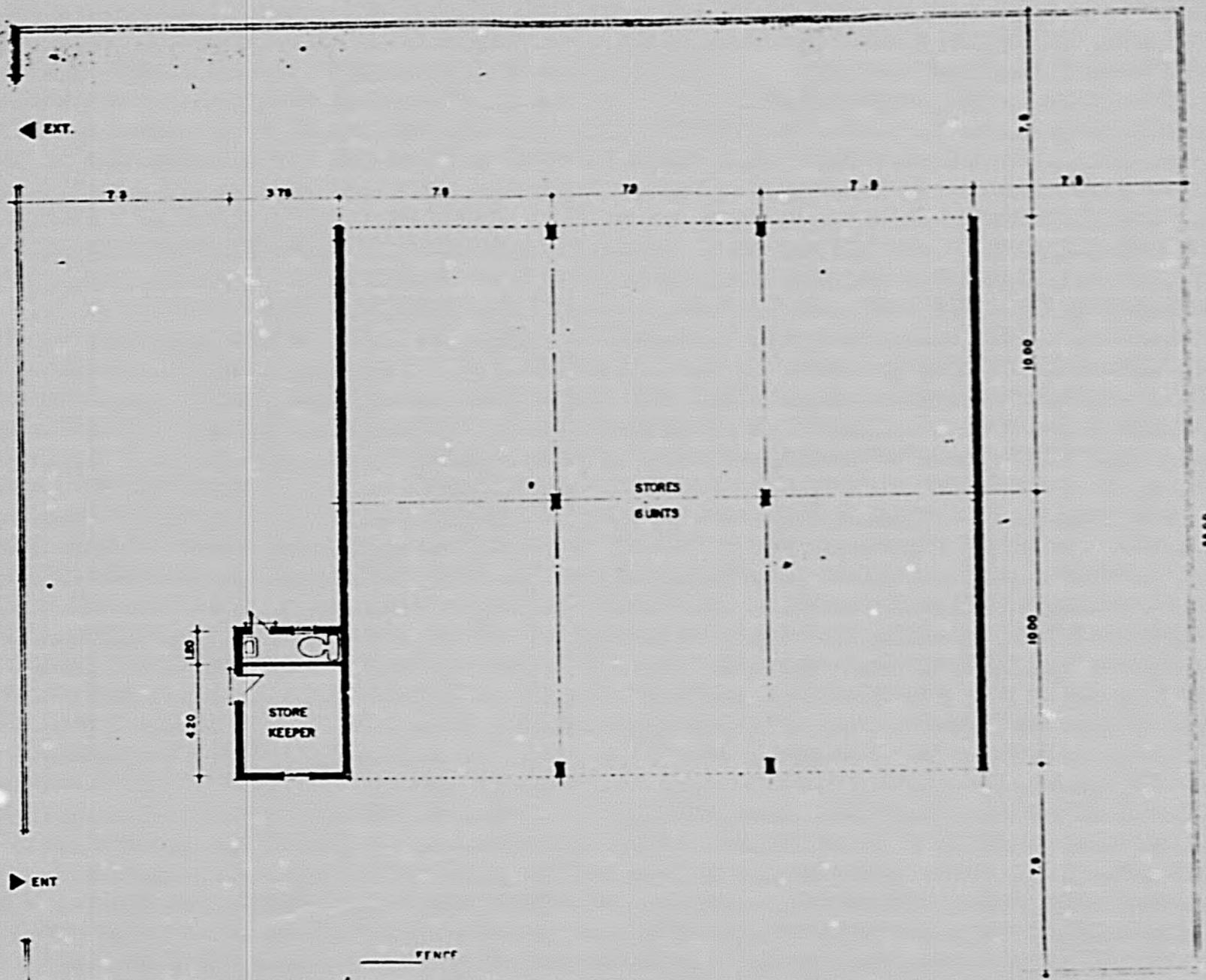
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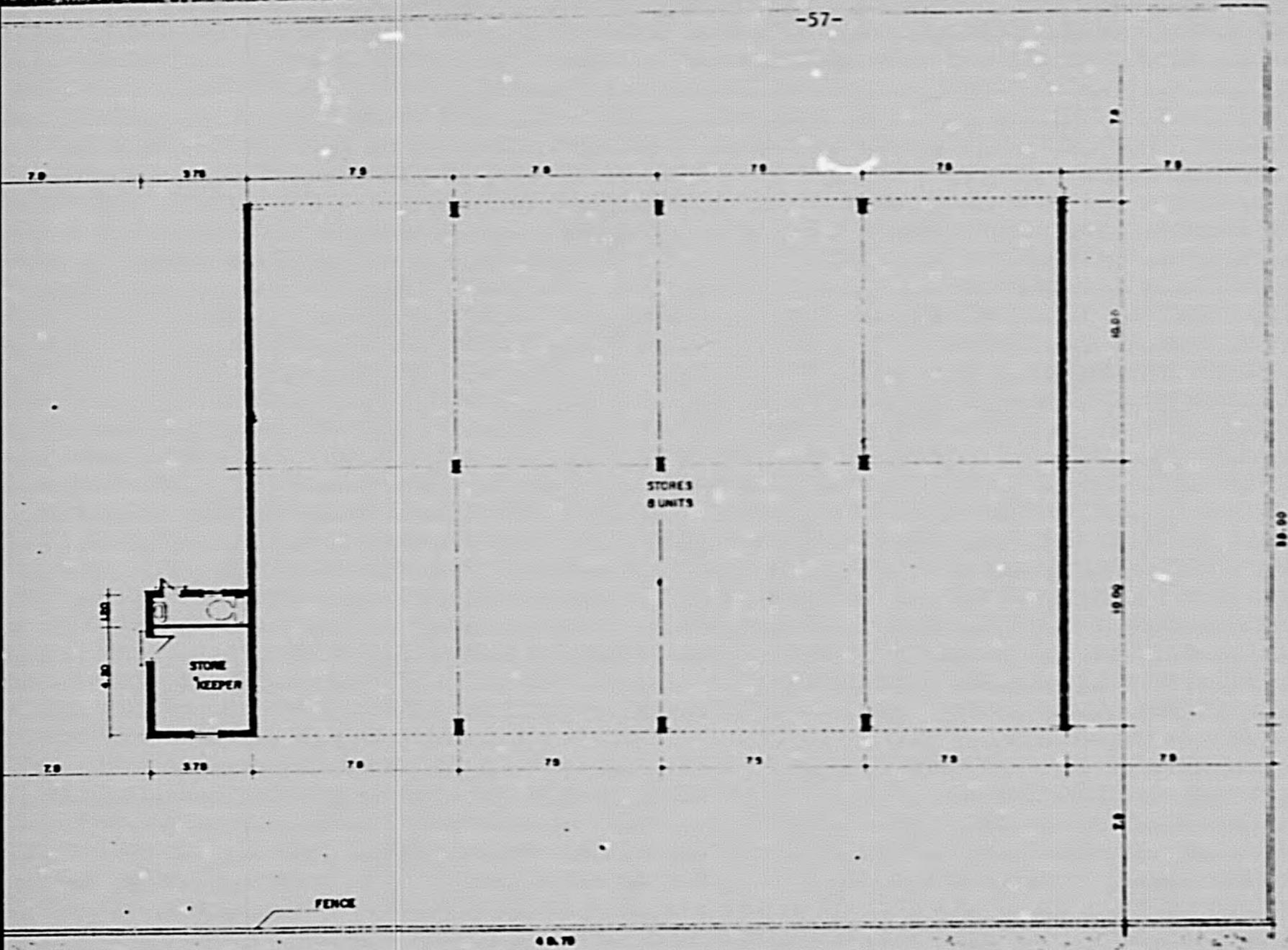
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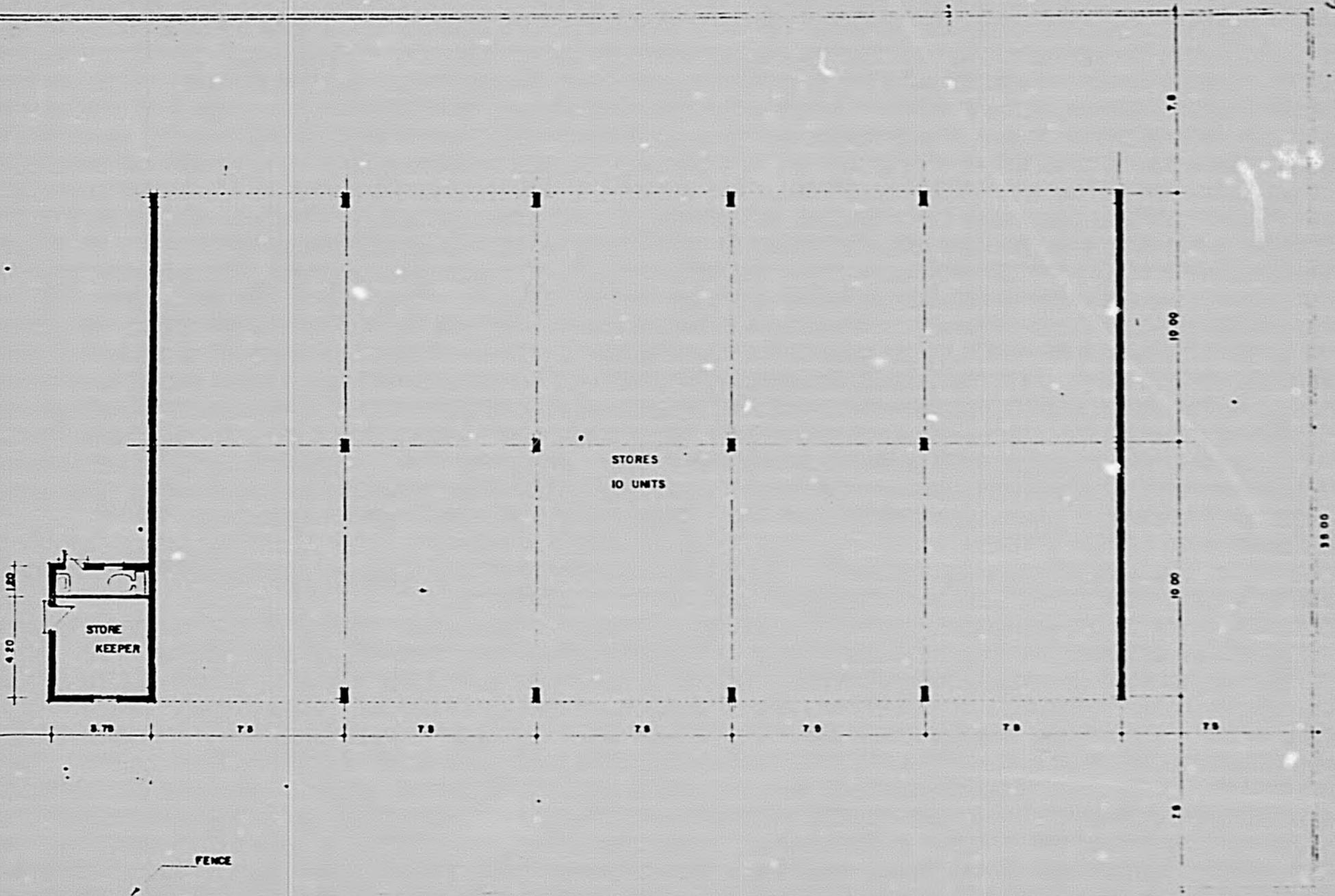
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ANNEX E-PART I

SMALL FARMER PRODUCTION PROJECT
STORAGE AND TRANSPORTATION COMPONENT

ASSUIT PHASE I

AUGUST 15 , 1982

DISTRIBUTION OF AGRICULTURAL PRODUCTION INPUTS AND STORAGE AREA.

Agency	Fertilizer		SEEDS		Office &		Total	
	Tons	Sq M	Ardabs	Sq M	Pesticide	Sq M	Modular	
Abnoub	1655	552	501	84	40	676	8	
Dareshow	174	58	71	12	40	110	1	
Gaziret Bahrey	615	205	148	25	40	270	3	
Sawalem Abnoub	332	111	77	13	40	164	2	
Bani Razah	1398	466	426	71	40	577	8	
Abu Tig	1433	478	516	86	40	604	8	
Bakour	1879	627	674	113	40	780	10	
E1 Masaudia	388	130	209	35	40	205	2	
Bani Samei	1267	422	582	97	40	559	8	
E1 Moteah	1495	498			40			
Awlad Ibrahim	661	220	41	7	40	267	3	
Korkares	363	121	133	22	40	183	2	
E1 Shoeba	567	189	141	24	40	253	3	

ANNEX E PART II
Small Farmer Production Project
Storage and Transportation Component
February 14, 1983

Size of second and third phase agency buildings, and the minimum size plot of ground required to build on, for Assuit Governorate.

Fath Branch:	<u>Modules</u>	<u>Building size</u>	<u>Minimum Parcel size</u>
Masara Village Bank:			
Masara Agency	3	10 X 25.75	25 X 41.75
Ezbet El			
Sheikh Youssef	2	10 X 18.75	25 X 33.75
El Fiama	3	10 X 25.75	25 X 41.75
El Kasr	1	10 X 11.25	25 X 26.25
Awald Badr	4	10 X 33.75	25 X 48.75
	or	20 X 18.75	35 X 33.75
El Asara	2	10 X 18.75	25 X 33.75
Abnoub Branch:			
Hamman Village Bank:			
Hamman Agency	8	20 X 33.75	35 X 48.75
Al Awamer	2	10 X 18.75	25 X 33.75
Assuit Branch:			
Rifa Village Bank:			
Rifa Agency	8	20 X 33.75	35 X 48.75
El Zawya	8	20 X 33.75	35 X 48.75
Musha Village Bank:			
Musha Agency	14	20 X 56.25	35 X 71.25
Shutba	5	10 X 41.25	25 X 56.25
Abu Tig Branch:			
El Nekheila Village Bank:			
El Nekheila Agency	14	20 X 56.25	35 X 71.25
Diweina Village Bank:			
Diweina Agency		(No data available)	

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ANNEX E PART III
Small Farmer Production Project
Storage and Transportation Component
Sharkia Governorate

Distribution of Agricultural production inputs and storage area

<u>Agency</u>	<u>Fertilizer</u>		<u>Seeds</u>		<u>Office & Pesticides</u>	<u>Total Sq M</u>	<u>Modules</u>
	<u>Tons</u>	<u>SqM</u>	<u>Ardebs</u>	<u>SqM</u>			
Asloughi	435	145	231	39	40	224	2
El Ghare	362	121	154	26	40	187	2
Shoubac Basta	451	150	179	30	40	220	2
Awalahd	164	55	84	14	40	109	1
Meet Rikah	129	43	51	9	40	92	0
Meet Abu Ali	390	130	181	30	40	200	2
Tarout	591	197	285	48	40	285	2
Kafr Youssef	312	104	150	25	40	169	2
Ibrahemia	1141	380	472	79	40	499	6
El Halawat	543	181	170	28	40	249	2
El Galaila	152	50	60	10	40	100	1
El Hebsh	496	165	114	19	40	224	2
El Sheriefa	226	75	69	12	40	127	1
Tel Mohamed	312	104	124	21	40	165	1
Tawahin Ekrash	412	137	168	28	40	205	2
El Fawzeya	580	193	189	32	40	265	2
El Bakakra	403	134	190	32	40	206	2
Kafr Awad	75	25	70	12	40	77	0
Kafr Ayoub	1135	378	81	13	40	431	4
Meet Sanata	316	105	204	34	40	175	2
El Kateba	1047	349	98	16	40	405	4
El Saadat	430	143	145	24	40	207	2
El Tahavia	669	223	31	5	40	268	4
Beni Alleem	148	49	67	11	40	100	1
Kafr Ibrahim	196	65	53	9	40	114	1
Kafr El Kadim	416	139	172	29	40	208	2

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ANNEX E PART IV
 Small Farmer Production Project
 Storage and Transportation Component
 Sharkia Governorate
 Distribution of agricultural production inputs and storage area

<u>Agency</u>	<u>Fertilizer</u>		<u>Seeds</u>		<u>Office Pesticides</u>	<u>Total Sq M</u>	<u>Modules</u>
	<u>Tons</u>	<u>SqM</u>	<u>Ardebs</u>	<u>Sq M</u>			
Bordeen	382	127	218	36	40	203	2
Kafr Abaza	498	166	344	57	40	263	3
El Zahra	183	61	103	17	40	118	1
Anshas	571	190	147	25	40	255	3
Tahra Hemmed	173	58	115	19	40	117	1
Tahlet Bordeen	450	150	277	46	40	236	3
Neshwa	431	144	174	29	40	213	2
Sefeta	355	118	191	32	40	190	2
Kafr Denehia	131	44	64	11	40	95	0
Mobasher	421	140	232	39	40	219	3
El Seds	329	110	44	7	40	157	2
Katayeft Nobasher	264	88	153	26	40	154	2
Kafr Mohsen	142	47	42	7	40	94	0
Sharkiat Mobaher	238	79	163	27	40	146	2
Shopra Nakla	1294	431	394	66	40	537	6
Hefna	987	329	214	36	40	305	5
El Gosak	928	309	218	36	40	385	4
Meet Habeeb	393	131	140	23	40	194	2

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ANNEX E PART V
Small Farmer Production Project
Storage and Transportation Component
Sharkia Governorate

Distribution of agricultural production inputs and storage area

<u>Agency</u>	<u>Fertilizer</u>		<u>Seeds</u>		<u>Office & Pesticides</u>	<u>Total Sq M</u>	<u>Modules</u>
	<u>Tons</u>	<u>Sq M</u>	<u>Ardebs</u>	<u>SqM</u>			
Zankalon	633	211	231	40	40	291	4
Tel Mismar	162	54	50	9	40	103	1
Kafr Nwal Hana	114	38	32	5	40	83	0
El Geraia	315	105	120	20	40	165	2
Mohamed Gawesh	260	87	114	19	40	146	2
Mohamed Heseen	345	115	73	12	40	167	2
Tel Hawen	147	49	38	6	40	95	0
Sharweda	367	122	17	3	40	165	2
Ahmed Gabran	271	90	95	16	40	146	2
Bany Shebl	339	113	66	11	40	164	2
Hehia	1031	344	276	46	40	430	5
Mahdia	638	213	136	23	40	276	3
Shabrwen	833	278	206	34	40	352	4
Awlad Attia	356	119	116	19	40	178	2
El Matawa	517	172	154	26	40	238	3
El Kadery	534	178	156	26	40	244	3
Aboo Hattab	315	105	101	17	40	162	2
Manzel Hayan	299	100	144	24	40	164	2
El Zawahry	368	123	112	19	40	182	2
Aboo Frakh	277	92	110	18	40	150	2
Meet Khaly	158	53	75	13	40	106	1
El Blashone	1581	527	378	63	40	630	8
Meet Gaber	865	288	190	32	40	360	4
Karmala	659	220	79	13	40	273	3
Kafr Hfna	321	107	86	14	40	161	2

ANNEX E PART VI
 Small Farmer Production Project
 Storage and Transportation Component
 Kalyubia Governorate

Distribution of agricultural production inputs and storage area

<u>Agency</u>	<u>Fertilizer</u>		<u>Seeds</u>		<u>Office & Pesticides</u>	<u>Total Sq M</u>	<u>Modules</u>
	<u>Tons</u>	<u>Sq M</u>	<u>Ardebs</u>	<u>Sq M</u>			
Aghour	837	279	181	30	40	349	4
El Salhia	234	78	26	5	40	123	1
Kafr El Nahkla	148	50	12	5	40	95	0
Kafr El Fokaha	165	55	8	2	40	97	0
El Seifa	316	106	34	6	40	152	2
Barshom	210	70	31	5	40	115	1
Sheblanga	1288	429	514	86	40	555	8
Nekbas	292	97	238	40	40	177	2
Kafr Mois	230	77	116	20	40	137	1
M. Elseba	320	107	353	59	40	206	2
M. Benha	539	180	232	39	40	259	3
Kafr Abu Zahra	144	48	137	23	40	111	1
Kafr el Arbain	300	100	55	10	40	150	2
Gamgra	290	97	57	10	40	147	2
Kafr Saad	274	92	55	10	40	142	2

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ANNEX F

THE PRINCIPAL BANK FOR DEVELOPMENT AND AGRICULTURAL CREDIT OF EGYPT INVITES

Egyptian and USA contractors to prequalify for tenders for construction to be funded under the Small Farmer Production Project, USAID No.263-0079. Payment will be made in Egyptian Pounds.

Construction under the project is divided into stages. In each stage, facilities will be built in Qualybayia, Sharkia and Assuit Governorates of Egypt. In the total construction program there will be about 27 Village Banks and 150 Agency buildings.

The Village Bank Buildings will be of two floors, each approximately 300 sq. meters. Agency buildings will range in size from 100 square meters to 1000 square meters. They are of modular design, the roof structure being of steel beams and galvanized steel roofing and the foundations and columns of reinforced concrete.

Construction of the first stage is expected to commence early in 1983 and to be completed in approximately 12 months. Following stages of construction will commence as building sites become available and approvals obtained.

Invitations for bid will only be given to, and bids accepted from, firms which are prequalified. The bidder qualification questionnaire will be available from 12/20 (date) on payment of 10 Egyptian Pounds at the office of Parsons Brinckerhoff Sabbour, 35 Abdel Moneim Riad St., El Mohandeseen, Cairo, Egypt. Telex number 94266 SASOC UN, Attention: Mr. Ahmed Adel or the Embassy of the Arab Republic of Egypt, 2310 Decatur Pl., N.W., Washington, D.C. 20008. Telephone number 202/2325400, Attention: Mr. Nabil Salek.

Completed questionnaire must be received at the same addresses no later than 11:00 A.M.

March 20 (date) 1981.

جمهورية مصر العربية
دمشق

السيد الرئيس للسمعة والاشتهار في مصر :

يبدو المقاولين المصريين والامريكيين للتقدم سابق خبرتهم للدخول في مناقصة لاقامة الماسي اللارمه لمشروع اتاحية المزارع المعمر (وكالة التنمية الدولية الامريكية رقم 263-0079) وسوف يتم الدفع بالحنثيات المصرية .

الماسي المطلوبة لهذا المشروع ستعقد على مراحل وفي كل مرحلة سم السقييد محافظات القلوسه والشرفه وأسيوط جمهورية مصر .

شمل احمالي الترايح على حوالي 27 ماسي سك قرية و 150 ماسي مدوسية .

سكون ماسي سك القرية من طابقين كمثل مسهما بمساحة 300 متر مربع .

شرايح مساحة ماسي المدوسية ماسي 100 متر و 1000 متر مربع ذات تصميم عظمي متكرر . سقف سكون من كمرات من الطبت معلى الصاج المطلع والاساسات والاعمدة من الخرسانة المسلحة .

من المتوقع ان سدا المرحلة الاولى من الانشاءات في اوائل عام 1983 وتكتمل خلال اثني عشر شهرا .

المرحلة التالية من الانشاءات سوف تبدأ بمجرد اعداد المواعيد والحصول على المواعيد .

سندى الشركات المعمولة فقط لتقديم العطاءات .

يمكن الحصول على نسخ من قائمة الاسئلة امسارا من ج. ب. ب. مقابل عشرة جنيهات مصرية للسنة الواحدة ماسي مكتب ساروسر برينكرهوف صابور

35 شارع عبد المعهم رسام المهندسين القاهرة - مصر - تللكس 94266 ساسوك UN لعناية السد المهدى أحمد عادل وكذا من سفارة جمهورية مصر العربية 2310 ديكاتور Pl., N.W. واشحظر 20008. لسفون رقم 202/2325400/202 عناية الاستاد سبل صادق .

آخر موعد لتقديم البنات المطلوبة الساعه 11 يوم 2 مارس صاها على نفس العناوين السابقه .

The Principal Bank for Development
and Agricultural Credit (PBDAC)

FINANCING SOURCES OF PBDAC

The Agricultural Credit Bank of Egypt was incorporated as a joint-stock company, by virtue of a Decree dated July 25, 1931, with a capital of LE 1,000,000 for the purpose of issuing to small farmers and cooperative societies loans in cash and in kind as may be required for their crops.

This Bank's activities covered the following:

1. Short-term loans recoverable over no more than 14 months for seasonal crops,
2. Sale of fertilizers, seeds and farming requirements in cash and on credit.
3. Loans against pledged crops.
4. Medium - term loans for a duration not exceeding ten years, for the purchase of farm machinery and animals,
5. Long-term loans payable over a maximum period of 20 years for land reclamation.

In 1948, Law No. 129 was promulgated converting the Agricultural Credit Bank of Egypt into a cooperative bank named: "Agricultural Credit and Cooperative Bank". The share-capital was increased to LE 1,500,000. Half of that increase was subscribed to by the cooperative societies and the other half was acquired by the Government. The Bank's sphere of activities was expanded to encompass, in addition to the afore cited operations, the performance of banking services for cooperative societies only excluding individuals and other bodies.

In 1964, The Agricultural Credit and Cooperative Bank was further developed into a public organization by Law No. 105. Its Branches in the Governorates were made autonomous banks. The reason for this change was the great expansion and diversification of the Bank's business which made it a must that the newly created Agricultural Credit and Cooperative Banks in the Governorates should be given autonomy enough to allow complete flexibility in handling business within a decentralized system at the top of which stood the Egyptian General Organization for Agricultural and Cooperative Credit (formerly the head office of the Agricultural and Cooperative Credit Bank)

whose function was to plan the rural and cooperative credit at the national levels to make available farm inputs and to finance, guide, supervise and follow up the activities of its subordinate Governorate Banks.

When the "open door policy" was adopted in 1976, the rural credit had to be reformed in a manner conducive to the agricultural development, the improvement of rural communities and the encouragement of agro-business as a whole. Therefore, Law No. 117 of 1976 was promulgated creating "Village Banks" at the big villages with agencies in all villages. The system of units through which the Governorate Banks used to provide services and which amounted to 150 units only represented by the Branch Offices in the main towns, was greatly expanded to include:

150 Branches
750 Village Banks
4,250 Agencies

controlled by 17 Governorate Banks affiliated to the Principal Bank for Development and Agricultural Credit set up as a holding public authority superseding the Egyptian General Organization for Agricultural and Cooperative Credit.

Law No. 117 assigned new responsibilities to PBDAC and its Governorate Banks in addition to those referred to earlier, viz:

1. To promote development in the field of food security and to improve farming through the use of modern machinery and advanced technology especially in irrigation and farm chemicals.
2. To contribute towards the socio-economic development of the villages by its transformation to a productive community rather than remaining a consuming one and to encourage the setting up of rural industries that undertake to process farm products.
3. To provide rural people, cooperatives, other bodies and local Government units with banking services and to promote thrift among rural inhabitants who had hitherto little or no practical experience with the use of banking facilities and services.

Financing Sources:

The Bank underwent several stages of development, each of which required certain financing arrangements relevant to its responsibilities. Thus, the Bank's financing sources similarly passed through three stages, namely:

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The First Stage:

The Bank's share-capital of LE 1,000,000 so fixed at its establishment in 1931, naturally fell short of the funds required to cope with loans in cash and inputs, needed by agriculture. The Government, therefore, granted the Bank an easy loan of LE 6,000,000 at 1% p.a. providing a reasonable margin between this rate and the Bank's lending rate of 5% for individuals and 3% for cooperatives.

At that time the Bank could not borrow from the money market since the interest rate was too high to be suitable for agricultural lending. Also, it was not practicable that the Bank should raise its lending rate because its main objective was to help farmers and not to add to their burden or cut into the returns of their toil.

Nevertheless, the Government loan of 6 million pounds was enough to cover the Bank's financial requirements up to 1946. It is to be noted that the total loans issued by the Bank during its first financial year 1931/32 ran to LE 2,200,000. This credit volume increased gradually during the subsequent 15 years to reach LE 5,500,000 by 1946.

The Second Stage:

The span of this stage extended thirty years from 1948 to 1976 during which the credit volume took an upward trend from LE 7,300,000 to LE 122,000,000 by 1976. The main reasons are:

1. The Agrarian Reform Law of September 1952 caused vast areas of land, expropriated from big landowners, to be distributed among landless farmers who came to form a class of small holders and tenants anxious to avail themselves of the Bank's facilities.
2. Loans were issued to small landowners and tenants against the guarantee of the crop and not the land.
3. The application of the Cooperative Credit System according to which credit facilities were offered at the villages so that the small farmers could get easily the loans in kind and in cash.

The Bank, having simplified the lending procedures, and made the credit facilities as near to the farmers as possible, was able to extend its services to all landholders whose number was about 8 million farmers.

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In addition to the growing credit volume, the Bank had to cover the losses incurred as from 1968 up to the end of 1976 which amounted to LE 62,000,000. Moreover, the Bank financed the locally made and imported farm inputs (fertilizers, seeds, feeds, pesticides, jute goods) which the Ministry of Agriculture entrusted the Bank to take delivery, store and distribute. These operations required an amount of more than LE 200,000.

The Bank was able to obtain the funds needed for its activities from two sources:

1. The Bank used to borrow from the commercial banks at the prevailing interest rate which was 5% up to the end of 1976. The volume of loans from commercial banks used to reach a peak of LE 250,000,000 by the end of December (the end of the collection year) following the repayment of the seasonal loans by the farmers. It is to be noted that the loan repayment rate improved during the first six years of the seventies, this helped to keep down the Bank's borrowings from commercial banks.
2. In 1956, the Ministry of Finance granted the Bank a loan of LE 20,000,000 against bonds carrying a 9% interest rate. This low rate helped to keep the financing charges down. Worthy of note is that these charges were about LE 8,000,000 representing 37% of the total charges of all activities. However, this easy loan was totally amortized during the period which terminated by 1976.

The Third Stage:

This stage, which started as from 1977, proved different from the two preceding stages. The Bank used to depend on external financing either from the Government or the commercial banks. The Bank embarked on lending to all areas of agricultural development besides the ever growing of the seasonal loans. The total loans issued for various purposes within the two fields amounted to LE 500,000,000 at the end of 1981/82 financial year. If the funds required for the input activities are added, the volume of the working capital would be more than LE 900,000,000. Despite the great volume of financing, the Bank was able to arrange to obtain its requirements from two sources: external and internal as shown below:

External Financing:

The Bank tapped external sources of funds in order to finance its ever growing and expanding activities. External sources included The Central Bank of Egypt and the commercial banks whether Egyptian or mixed. During the 1981/82 financial year, the Bank borrowed more than LE 950,000,000 at the rate of interest as declared by the Central Bank of Egypt which went up gradually from 7% p.a. in 1977 to 13% p.a. at the start of 1981/82 financial year. However, owing to its large volume of borrowing, the Bank was granted certain concessions in the shape of reductions in interest rates which helped to keep the financing costs down.

External sources of funds were not limited to commercial banks and the Central Bank of Egypt. Following the marked improvement in its financial situation and earnings the Bank became eligible to obtain loans and grants from some international organizations as from 1978, viz:

The World Bank accorded the Bank the following credits:

U.S. \$22,500,000 Credit EG - 830 for the agricultural development projects in Menoufia and Sohag Governorates.
4,400,000 Credit EG - 988 for agro-industries development.

USAID

The Agency of International Development of the United States of America gave the Bank the following grants:

U.S. \$25,000,000 for the Small Farmer Production Project in Kalyubia, Sharkia and Assiut Governorates.
5,000,000 for American Commodities importation
6,000,000 for workshops, pump units and farm chemicals.

Though the annual proceeds available to the Bank from these loans and grants are rather small, these funds have been undeniably useful especially in connection with the foreign exchange needed for the importation of farm machinery and inputs. We are hopeful, however, that in future the Bank will be able to obtain credits and grants enough to be effective in contributing efficiently to financing the Bank's ever growing activities at reasonable costs. Thus, the Bank would be able to provide farmers with credit and inputs at reduced charges that would help them keep a greater

share of returns which eventually contribute towards improving their socio-economic situation.

Internal Financing:

As explained earlier, the Bank depended chiefly on loans from the Government and the commercial banks to finance its activities since no substantial liquid money was available to it from its revenues. Starting with 1977 when Law 117/1976 came into force, the Bank began to rely on its own funds to finance a gradually growing part of its business. Self-financing has been, since then, playing a vital role owing to two major factors:

1. Law No. 117/1976 authorized the Bank to practice all sorts of banking operations for individuals, cooperatives and public as well as private bodies. Consequently, the Bank spared no effort to attract deposits and savings from all quarters.

2. During the period from 1977, the Bank was able to cover all its losses accumulated over a number of past years till it succeeded to get rid of all such losses completely by 1980/81 financial year. As a result, the Bank started to build up reserves out of its distributable profits.

In the light of the foregoing, the internal financing is drawn from the following sources:

Deposits and Savings:

The Bank has a vast network of Village Banks covering the whole country through which it can keep close contact with farmers, firms and public and private concerns. Thanks to the effective measures applied to re-organize its structure, reform its financial situation and diversify its credit and banking services, the Bank gained the confidence of the business world. Also, the Bank embarked on a successful campaign to spread thrift awareness throughout the rural communities. Therefore, the deposits and savings with the Bank increased steadily and considerably year after year till the total balances reached LE 217,000,000 at the end of 1981/82 from 509,000 clients. It is expected that these balances would go up by not less than 15% annually to become about LE 500,000,000 by the end of the next five years as hoped.

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Reserves and Provisions:

As mentioned hereabove, the Bank began to build up reserves by deduction from its distributable profits in order to strengthen further its financial situation. While the reserves took an upward trend, the provisions, on the other hand, tended to shrink mainly because of the improved loan recovery rate which was as high as 96.3% at the end of the collection year that expired on 31 December 1981. At the end of 1981/82 financial year the total reserves and provisions amounted to LE 65,000,000.

Capital

The Bank's capital was initially LE 1,000,000 then it was increased to LE 1,500,000 in 1948. When the Bank became a generation organization in 1964, this organization subscribed to the capitals of the Governorate Bank by LE 6,250,000. At the end of 1979, the Ministry of Finance contributed LE 17,000,000 to the FBDAC capital which reached LE 25,000,000. This increase in the Bank's capital can be considered, to some extent, as a source of self-financing.

Accordingly, the self-financing exceeds in volume the external financing and therefore the Bank is becoming less dependent on borrowing from the Central Bank and commercial banks.

It should be mentioned, at the close, that the Bank was authorized by the Ministry of Economy, at the end of 1982, to deal in foreign exchange within the limits of its resources of free currency. Thus, the Bank can use these resources in importing the inputs and requirements of development and investment in the fields of food security and farm mechanization at all its levels.

Mokhtor Fayeek
Consultant to the
Chairman of the Board
Accounting/Finance

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ANNEX 3
TABLE 1 - DEVELOPMENT LOANS MADE BY THE P.B.D.A.C. SYSTEM AND THE SMALL FARMER PRODUCTION PROJECT IN SIX VILLAGE BANKS IN ASSUIT, KALYUBIA, AND SHARKIA GOVERNORATES.

YEAR	TOTAL NO. OF FARMER BORROWERS	P.B.D.A.C. NON-CROP LOANS		S.F.P.P. DEVELOPMENT LOANS		
		NO. OF LOANS	LOAN AMOUNTS	NO. OF FARMERS	NO. OF LOANS	LOAN AMOUNTS
1977	---	---	-----	---	---	-----
1978	---	562	128,357 LE	---	---	-----
1979	---	205	208,781 LE	---	---	-----
1980	22,609	388	436,703 LE	---	---	-----
1981	---	882	1,135,293 LE	1,944	297	260,922 LE
1982	---	1,241	1,047,405 LE	---	1,854	1,477,878 LE
TOTALS	NA	3,278	2,956,539 LE	1,944	2,151	1,738,800 LE

ASSUIT

1977	---	33	38,860 LE	---	---	-----
1978	34,604	95	85,791 LE	---	---	-----
1979	33,866	136	127,423 LE	---	---	-----
1980	33,999	230	262,078 LE	---	---	-----
1981	33,952	830	1,392,261 LE	144	184	250,848 LE
1982	35,163	1,675	2,740,768 LE	741	1,109	2,030,557 LE
TOTALS	NA	2,999	4,643,181 LE	885	1,293	2,281,405 LE

SHARKIA

1977	21,489	390	118,567 LE	---	---	-----
1978	---	546	244,300 LE	---	---	-----
1979	---	579	384,241 LE	---	---	-----
1980	24,897	787	617,767 LE	---	---	-----
1981	---	1,300	3,137,327 LE	123	133	160,638 LE
1982	24,344	1,834	5,626,125 LE	1,833	2,288	1,609,836 LE
TOTALS	NA	5,436	10,148,327 LE	1,956	2,421	1,770,474 LE

KALYUBIA

GRAND TOTALS	NA	11,713	17,748,047 LE	4,785	5,865	5,790,679 LE
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INCREASES IN SAVINGS
IN SIX VILLAGE BANKS WITHIN EACH OF THE THREE GOVERNORATES.

YEAR	ASSUIT		SHARKIA		KALYUBIA	
	NO. OF DEPOSITORS	AMOUNT OF DEPOSITS	NO. OF DEPOSITORS	AMOUNT OF DEPOSITS	NO. OF DEPOSITORS	AMOUNT OF DEPOSITS
1977	-----	-----	126	8,864 LE	168	27,333 LE
1978	521	221,344 LE	707	97,408 LE	693	86,321 LE
1979	1,125	367,559 LE	4,114	386,597 LE	4,639	214,073 LE
1980	1,797	655,901 LE	7,224	394,320 LE	5,491	241,868 LE
1981	2,471	822,344 LE	4,052	580,293 LE	6,253	841,403 LE
1982	3,191	1,335,550 LE	5,473	891,933 LE	7,597	1,005,731 LE

SOURCE: S.F.P.P. VILLAGE BANK RECORDS AND A.F.P.P. GOVERNORATE P.B.D.A.C. RECORDS.

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SMALL FARMER PRODUCTION PROJECT

ANNEX G

TABLE II

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LOANS BY FARMER TYPE
Beginning of Project through December, 1982

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	COOPERATING FARMERS				PARTICIPATING FARMERS				TOTALS				FARM RELATED
	SHORT	MEDIUM	LONG	TOTALS	SHORT	MEDIUM	LONG	TOTALS	SHORT	MEDIUM	LONG	TOTALS	
ASSUIT													
LOANS	255	63	0	318	514	1,266	14	1,794	769	1,329	14	2,112	3*
AMOUNT	52,299 LE	72,852 LE	0	125,151 LE	286,222 LE	1,483,146 LE	15,385 LE	1,784,753 LE	338,521 LE	1,555,998 LE	15,385 LE	1,909,904 LE	1,200 LE
ALYUBIA													
LOANS	395	41	0	436	1,220	729	0	1,949	1,615	770	0	2,385	4**
AMOUNT	72,805 LE	46,763 LE	0	119,568 LE	758,965 LE	894,372 LE	0	1,653,337 LE	831,770 LE	941,135 LE	0	1,772,905 LE	8,155 LE
SHARKIA													
LOANS	95	23	0	118	534	567	0	1,101	629	590	0	1,219	3***
AMOUNT	39,843 LE	19,324 LE	0	59,167 LE	1,436,500 LE	588,315 LE	0	2,024,815 LE	1,476,343 LE	607,639 LE	0	2,083,982 LE	3,100 LE
TOTALS													
LOANS	745	127	0	872	2,268	2,562	14	4,889	3,013	2,689	14	5,716	10
AMOUNT	164,947 LE	138,939 LE	0	303,886 LE	2,481,687 LE	2,965,833 LE	15,385 LE	5,462,905 LE	2,646,634 LE	3,104,772 LE	15,385 LE	5,766,791 LE	11,455 LE

GRAND TOTALS	LOANS	5,726
	AMOUNT	5,778,246

* Unknown, Rabbit hutches.
 ** Sewing Machine, Vet. Supplies, Carpet Weaving, Commercial Seed Dealership/Supplies.
 *** Chicken Hatchery Operating Expense, Carpet Weaving, Basket Making.
 Source: S.F.P.P. Records (Governorate Monthly Reports)

Beginning of project through December, 1982
SHARKIA KALYUBIA ASSIUT

SHARKIA

KALYUBIA

ASSIUT

TOTALS

TYPE OF LOAN	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	PERCENT OF VOLUME
CROP PRODUCTION	55	659 LE	1,334	78,557 LE	159	49,373 LE	1,748	128,589 LE	2.3
BROILERS	440	1,437,750 LE	180	486,205 LE	4	6,900 LE	624	1,930,855 LE	34.9
EGG PRODUCTION	3	14,000 LE	5	14,000 LE	1	1,400 LE	9	29,400 LE	.5
CATTLE FEEDING	105	129,650 LE	158	194,988 LE	98	77,650 LE	361	402,288 LE	7.0
SHEEP FEEDING	11	6,850 LE	7	4,265 LE	110	84,950 LE	121	96,065 LE	1.7
PIGEON FEEDING	----	-----	4	2,140 LE	-----	-----	4	2,140 LE	.1
BUFFALO/COW MILKING	395	321,128 LE	641	566,426 LE	860	967,932 LE	1,896	1,855,486 LE	33.5
BUFFALO/CAMEL WORK	29	17,650 LE	6	3,800 LE	22	24,700 LE	57	46,150 LE	.8
SHEEP BREEDING	33	18,733 LE	-----	-----	302	214,549 LE	335	233,282 LE	4.3
RABBIT PRODUCTION	3	2,000	2	1,450 LE	3	800 LE	8	4,250 LE	.1
BEEKEEPING	21	18,750 LE	30	52,890 LE	3	3,000 LE	54	74,640 LE	1.3
DONKEY WORK	1	180 LE	-----	-----	-----	-----	1	180 LE	.1
FARM EQUIPMENT	129	136,256 LE	94	110,018 LE	45	50,218 LE	268	296,492 LE	5.4
FAMILY LIVING/EDUCATION	-----	-----	6	700 LE	-----	-----	6	700 LE	.1
BUILDINGS	59	160,600 LE	68	221,480 LE	1	3,000 LE	128	385,080 LE	7.0
FARM RELATED DEV.	9	17,600 LE	22	32,550 LE	1	200 LE	32	50,350 LE	.9
TOTALS	1,293	2,281,806 LE	2,550	1,769,469 LE	1,809	1,484,672 LE	5,652	5,535,947 LE	100.0

Percentages rounded to .10

Extracted from Governorate Monthly Reports.
Data not verified; use only for an overview of major lending programs.
Compiled by the Evaluation Team, February 22, 1982.

SUMMARY OF S.F.P.P. LENDING IN GOVERNORATES

OF

SHARKIA, KALYUBIA, AND ASSIUT

ANNEX G

TABLE IV

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Time period (6-month intervals)	No. of Loans Rejected	<u>SHORT TERM</u>		<u>MEDIUM TERM</u>		<u>LONG TERM</u>		<u>CUMULATIVE</u>	
		No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount
May - Oct. '81	18	299	234,761 LE	31	27,545 LE	1	1,200 LE	331	263,506 LE
Nov. '81 - April '82	45	554	678,332 LE	377	526,469 LE	7	11,750 LE	938	1,216,551 LE
May - Dec. '82	31	2,219	1,892,183 LE	2,353	2,415,124 LE	1	1,400 LE	4,573	4,308,707 LE
Grand Total	94	3,072	2,805,276 LE	2,761	2,969,138 LE	9	14,350 LE	5,842	5,788,764 LE

S.F.P.P. LOAN REPAYMENTS

	Short	Medium	Long
May - Oct. '81	21,890	9	0
Nov. '81 - April '82	422,180	9,043	0
May - Dec. '82	1,406,719	267,694	150
Totals	1,850,789	276,746	150

Source: S.F.P.P. Records

SMALL FARMER PRODUCTION PROJECT

TOTAL FUNDING REQUIREMENTS (CREDIT)

1980/88

ANNEX G TABLE V

2,800,000 LE per Village Bank *

	1980	1981	1982	1983	1984	1985	1986	1987	1988	TOTALS
1980										
1981	9 Village Banks **	5,400,000	9,000,000	10,800,000						25,200,000
1982	9 Village Banks		5,400,000	9,000,000	10,800,000					25,200,000
1983	9 Village Banks			5,400,000	9,000,000	10,800,000				25,200,000
1984	9 Village Banks				5,400,000	9,000,000	10,800,000			25,200,000
1985	42 Village Banks ***					25,200,000	42,000,000	50,400,000		117,600,000
1986	6 Village Banks						3,600,000	6,000,000	7,200,000	16,800,000
1987	-----									
1988	-----									
TOTALS	-----	5,400,000	14,400,000	25,200,000	25,200,000	45,000,000	56,400,000	56,400,000	7,200,000	235,200,000 LE

* 2,800,000 per Village Bank, phased in over three years, as follows:
 year 1 - 600,000 LE
 year 2 - 1,000,000 LE
 year 3 - 1,200,000 LE

** includes funds for 3 Village Banks in each governorate.

*** includes funds for 36 Village Banks in Assiut Governorate.

TOTAL FUNDING REQUIREMENTS THROUGH 1988	-----	235,200,000 LE
FUNDS FROM THE ORIGINAL PROJECT AGREEMENT	-----	- 11,036,000 LE
NEW MONEY REQUIRED THROUGH 1988	-----	224,164,000 LE

Provides 134,400,000 LE for Assiut; to fund 48 Village Banks. 0 Village Banks unfunded.

Provides 50,400,000 LE for Sharkia; to fund 18 Village Banks. 19 will remain unfunded.

Provides 50,400,000 LE for Kalyubia; to fund 18 Village Banks. 49 will remain unfunded.

235,200,000 LE

ANNEX H

TABLE I PART 1 CHRONOLOGY OF FARM MANAGEMENT RELATED TRAINING
 PROVIDED/ARRANGED BY THE KALYUBIA GOVERNORATE
 SFPP TEAM FOR EXTENSION PERSONNEL AND COOPERATING
 FARMERS

MONTH	PLACE	NUMBER	SUBJECT MATTER/PURPOSE
1/81	Field (Kaha, Tersa, Sandan-hour)	6	Small farmer profile survey
2/81	"	"	Preliminary Survey soil / water sampling
3/81	"	"	soil / water analysis
4/81	"	"	Field Training: new seed bed techniques, new cropping rotations, seeds, fertilizers
5/81	"	"	Field Training: new systems for collecting and recording production costs, yields, marketing data, etc.
6/81	"	"	Field Training : plant pest, disease, weed ident- ification and control
7/81	"	"	Field Training: marketing/ packing equipment (plastic containers) plant pest disease, weed identification and control
8/81	"	"	Soil Science Management, and use training Plant pest, disease, weed identification and control

TABLE I PART 2

MONTH	PLACE	NUMBER	SUBJECT MATTER / PURPOSE
9/81	Field- (Kaha Torsa, Sandan-hour)	6	Field Training: New seed bed , techniques improved seeds, fertilizers, plant pest, disease, weed, identification & control
10/81	"	"	Field Training: New seed bed, techniques, improved seeds, fertilizers-plant pest disease, weed, identification & control
11/81	"	"	Soil Science, management and use training plant pest, disease weed identification and control
12/81	"	"	Field Training: New systems for collecting and recording production costs,yields, marketing, data, etc.
1/82	Field-(Kaha, Torsa, Sandan-hour, Aghour, Sheblanga, Kafr El Arbain)	12	Small farmer profile survey.
2/82	"	"	Soil/ water analysis
3/82	"	"	Farm record book training new seed bed, techniques, improved seeds, fertilizers, plant pest, disease, weed identification and control
4/82	"	"	Field Trip to Bayer and Pioneer experimental farms, farm record, book training, improved irrigation, techniques (Furrow)
5/82	"	"	Farm record, book training, plant pest, disease weed, identification and control

TABLE I PART 3

MONTH	PLACE	NUMBER	SUBJECT MATTER/ PURPOSE
6/82	Field- (Kaha, Tersa, Sandan-hour, Aghour, Sheblanga, Kafr El Arbain	12	Soil Science, Management, and use training, plant pest disease, weed identification and control
7/82	"	"	Vegetable Science, training-plant pest, disease, weed identification and control
8/82	"	"	Animal Science training, plant pest, disease weed, identification and control
9/82	"	"	Field Training : New seed bed, techniques, improved seeds, fertilizers, irrigation techniques
10/82	"	"	Farm Machinery training (mowing machine disk harrow) Field Training: New seed bed, techniques, improved seeds fertilizers, irrigation techniques
11/82	"	"	Farm machinery training- (grain drill potato planter, rototiller)
12/82	"	"	Soil Science , management, and use training, farm record book training, plant pest disease, weed identification and control

ANNEX H
Formal Training Sessions
SFPP Assuit Governorate

Table II

Date (S)	Trainee Category	Number of Trainees	Subject matter/purpose
April 8-11,1981	V.B. Financial analysts and accounting dept. head	9	Accounting system and credit forms.
Jan. 17-21,1981	V.B. manager, extension and agric. research, V.B. financial analysts and farm mgt team	16	Farm record book
May 7-9,1982	V.B. manager, financial analysts, extension and agric. research, Farm mgt. and credit team	4	Calculator training
May 17-21,1982	V.B. manager, financial analysts, extension and agric. research.	30	Farm Record book
May 23-25,1982	V.B. manager, financial analysts and accountants	15	Credit and accounting programs
Jan. 15-17,1983	Extension agric. research and farm mgt. teams.	20	Plant protection
Jan. 18-20,1983	V.B. manager, financial analysts and accountants	9	Credit and accounting programs
Jan. 22-25,1983	Extension and agric. research, farm mgt. team and tractor operator	62	Farm equipment use and maintenance
Jan. 29-31,1983	Extension and agric. research and financial analysts	9	Farm record book

Table III
ANNEX H
Formal Training Sessions
SFPP Sharkia Governorate

Date (S)	Trainee Category	Number of Trainees	Subject matter/purpose
Dec. 12,1981	V.B. manager, financial analysts and extension agents.	24	Calculator training
March 7-10,82	Financial analysts, extension agents and agric. research.	18	Farm record book
Jan.15-18,1983	Extension agents and agric. research	12	Farm equipment use and maintenance.
Jan.22-24,1983	"	13	Plant Protection

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ANNEX I

AUDIO - VISUAL EQUIPMENT ACQUIRED FOR SFPP USE

Number Acquired	Item
4 **	Rollei 35 mm. slide projectors
4 **	Der Clous projection screen
4 **	Bell and Howell overhead projectors
3 ***	Kalart Victor opaque projectors
1 *	Kalart Victor sound projector with speaker
3	Bell and Howell 35 mm. playback with only slide projectors
1 *	3 M portable overhead projector
1 *	Bell and Howell sound slide record and playback projector
1 *	Bell and Howell sound slide record and playback projector

* One each distributed to the PBDAC Training Department

** One each to Governorate training officer and to the PBDAC Trainind Department

*** One each to the Governorate training officer.

SOURCE: SFPP Records - February, 1983

ANNEX J

TECHNICAL EXPERTS

BEING USED IN SUPPORT OF THE SFPP

Mr. Wagih Y. Rayid	Research Worker Veg. Res. Inst.	Kalyubia
Mr. Safwat A. Doos	Senior Researcher Plant Prot. Inst.	Kalyubia
Mr. Mohamed Yousef El Ansary	Asst. Prof. Agr. Mech., Moshtohor Inst.	Kalyubia
Mr. Mohamed Abo-Zid	Asst. Res. Worker Beekeeping Section	Kalyubia
Mr. Fayek Sawers	Research Worker, Veg. Res. Inst.	Sharkia
Mr. Ahmed Awdalia	Senior Researcher Plant Prot. Inst.	Sharkia
Mr. Hassan A. Rabih	Asst. Prof., Field Crops, Zagazig Univ.	Sharkia
Mr. Saber Nigm	Lecturer, Field Crops Zagazig Univ.	Sharkia
Mr. Mohsen Hassan El Sawaf	Lecturer, Veg. Zagazig Univ.	Sharkia
Mr. Ahmed Mohamed Kataby	Asst. Res. Worker Beekeeping Sec.	Sharkia
Mr. Tawfik Hassan Ali	Asst. Res. Worker, Sheep Breeding & Animal Res. Inst.	Sharkia
Mr. Soliman Mohamed Kamel	Asst. Res. Worker, Beekeeping Sect.	Assiut
Mr. Mohamed Hassan Nafadi	Prof. of Soils Assiut Univ.	Assiut
Mr. Mostafa Kamel Imam	Prof. of Veg. Assiut Univ.	Assiut
Mr. Nabil Abd-El-Salam	Asst. Res. Worker Sheep Breeding & Animal Res. Inst.	Assiut
Mr. Moahmed Mazeed	Senior Researcher Beekeeping Sect.	3 centers
Mr. Adel Abo-El-Naga	Senior Researcher Sheep Breeding & Animal Prod. Inst.	Special Assignment
Mr. Fathy Farg El-Sayid	Research Worker Field Crops Inst.	Sharkia

TECHNICAL EXPERTS (CONTD.)

Mr. Mohamed Ganim	Research Worker Field Crops Inst.	Kalyubia
Mr. Ibrahim Mahfouz	Researcher, Bean Breeder, Agr. Research Inst.	Special Assignment
Mr. Mohamed A. Zaki	Asst. Prof., Ent. & Pest. Dept., Cairo Univ.	Special Assignment
Mr. F. E. El-Keraby	Researcher - MOA Animal Prod. Res. Inst.	Special Assignment

SOURCE: SFPP Records - February, 1983

PART I

Format of Monthly Farm Management Report
to be prepared by Farm Management Specialist in each
Governorate

MONTHLY FARM MANAGEMENT REPORT

- I. Write a paragraph (or more if needed) to explain work performed in each of the following major activities:
(give quantity or level of activity for each)
Approximate percent of work time devoted to the activity.
1. Sets of farm management teams established
 2. Cooperating farmers selected
 3. Assist in conducting soil, leaf, and tissue analysis and advise in their use.
 4. Advise extension/research personnel in the use of new production techniques and equipment.
 5. Advise extension/research personnel in the use of new marketing/packing equipment and techniques.
 6. Assist in initiating plant pest/disease/weed/identification and control program.
 7. Advise extension/research personnel in the use of new or improved seeds or use technique.
 8. Advise extension/research personnel in the use of new or improved fertilizer or use technique.
 9. Advise extension/research personnel in the use of new or improved irrigation techniques including equipment and methods.
 10. Extension programs established in village banks
 11. Assist in designing and supervise the use of a farm record keeping system.
 12. Assist in developing uniform operational systems of obtaining in each village bank the small farmer costs of production, yields, and marketing data.
 13. Assist in developing improved coordination and cooperation between Agricultural Research, Extension, PBDAC, and the small farmer.
 14. Review and evaluate farm management practices.
 15. Other work performed
- II. Discuss any problem/constraint or implementation goals not met in the Farm Management Component of the Project.

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ANNEX K

PART II NARRATIVE PROFILE OF SFPP COOPERATING FARMERS
KALYUBIA, 1981
PREPARED BY KALYUBIA FARM MANAGEMENT TEAM

I. Tenure Information

The seventy-five cooperating farmers own 29% and lease 71% of the total land which they hold, 168 feddans and 56 kerats. The majority of farmers have additional farms other than the Project farms. However, the total number of farms owned or leased by each individual farmer totals five feddans or less.

Village Bank	No. of Farmers	Land owned Feddan Kerat	Land leased Fed. Kerat	Total F/K	Project F/K
Sandanhour	25	21.3	29.14	51.2	23.8
Kaha	25	-	57.16	57.16	23.1
Tersa	25	28.4	31.22	60.2	26.3
	75	49.7	117.52	168.56	72.12

Seventy-two percent of the farmers operate more than one farm versus twenty-eight percent who operate only one farm. Furthermore, no partnership among the farmers leasing or owning land is present.

	One Farm	More Than One Farm	Total
No. of farmers in Sandanhour	14	11	25
No. of farmers in Kaha	0	25	25
No. of farmers in Tersa	7	18	25

The size of the farms are rather small; the smallest being six kerats and the largest containing two feddans. The participating villages are normally divided into sections. Cooperative farmers are located in four of the fourteen sections in the village of Sandanhour. In the village of Kaha, cooperating farmers are located in six of the twenty-nine sections. And in the village of Tersa containing ten sections, cooperating farmers may be found in three sections.

II. Tenure Usage

The results of the survey indicate that 88% of the total (168 feddans and 56 kerats) is cultivated with assorted crops. Only 4% is currently developed into orchards and 7.0% is planted with berseem, the main feed for animals.

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Storage of seed, fertilizer, chemicals, feed for livestock, equipment, and crops harvested for home consumption and/or market sales are normally stored in the farmers's dwelling rather than in special facilities. Furthermore, farmers seldom dwell on their cultivated land but instead dwell together on land set aside for this purpose. Consequently, only 0.1% of the total holdings is left uncultivated. And yet this percentage of land is utilized for traditional irrigation.

In response to questions regarding their preference for crop cultivation, farmers overwhelmingly stated they preferred growing vegetables to forage crops or cotton. In the Village of Sandanhour, over 30% of the farmers chose vegetables as the preferred crop, particularly tomato and squash. Other crops in their order of preference include: corn (26%); berseem and wheat (15% each). Similarly, in the Villages of Kaha and Tersa, preference results for crop cultivation indicated vegetables rated highest with 40% and 19% respectively. Results in the three villages indicated the crop primarily preferred for cultivation to be vegetables with corn and wheat production following as the second and third preference, respectively.

III. Rotation

The pattern of rotation of crops is determined by the Governorate Office of Agriculture. In the Village of Tersa, dual rotation is practiced whereby the farmer cannot cultivate the same crop more than once during a two year period. However, in the Villages of Kaha and Sandanhour, triple rotation is practiced whereby the farmer cannot cultivate the same crop more than once during a three year period. The purpose and practice of crop rotation has been determined by the Office of Agriculture to be beneficial to farmers in order to replenish needed soil nutrients.

Intercropping is commonly practiced among the 75 cooperating farmers. If cotton is cultivated as the principal crop, garlic and onions are planted intermittently. Vegetables are commonly cultivated in established orchards. Cucumbers are usually cultivated with the principal crops of tomato and eggplant.

IV. Self Consumption

The majority of cooperating farmers producing vegetables, sell their entire crop on the local market with-holding an insignificant amount for home consumption. On the other hand, farmers producing berseem, retain a

majority of their yield for feed for their animals. In the Village of Tersa, 20 farmers retained 100% of their yield of berseem, 4 farmers sold 100% on the local market and 1 farmer retained 33% and sold 67% of his crop. Corn is usually used for self consumption as well as animal consumption. In the Village of Kaha, the cooperating farmers produced 24,640 kilos of corn last year; 21,280 kilos of corn were consumed by the farmers themselves and 3,360 kilos of corn were consumed by their animals.

In addition, following harvest the cornstalks are recycled as a source of energy for cooking. In the case of cotton, however, the farmer is required to submit his entire yield in full to government institutions. The farmer is not permitted to consume any portion of his yield. Upon harvesting the cotton, the plant is uprooted and dried for a source of energy for cooking. Our last example, wheat, is consumed by the farmers themselves as well as their animals in addition to submitting a specified amount of their yield to government institutions.

V. Labor Costs

The results of the labor cost survey indicate the human factor to be the most expensive type of labor cost. It comprised 61% of the total labor cost to produce one feddan of assorted crops. Mechanical equipment comprises 34% of the total labor cost to produce one feddan of assorted crops and the animal factor (5% of the total labor cost) indicates the least expensive type of labor.

The chart below illustrates the itemized costs for the crops specified:

	<u>Human</u>	<u>Animal</u>	<u>Mechanical</u>	<u>Total</u>
Wheat	94	14	26	134
Corn	112	11	39	162
Berseem	10	4	4	21
Green Peas	153	6	25	184
Onions	75	7	142	224
Cabbage	52	8	68	128
Tomatoes	110	12	85	207
Cotton	168	8	40	216

The cost to produce one feddan of the specified crop.

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VI. Selection Process

The 75 cooperating farmers were selected in January, 1981. A team consisting of a Village Bank Manager, the Agricultural Financial Analyst, the Agriculture Extension Specialist and the Agriculture Research Specialist chose the cooperating farmers. The farmers were selected on the basis of their character, receptiveness to new ideas in farm management, respect in the community, their willingness to participate in the Project and past credit history.

VII. Farmer's Attitude Towards Institutions

Nearly all of the 75 cooperating farmers overwhelmingly disapprove of the role that the extension and research offices play in their daily lives. Seventy-seven percent indicated disapproval versus fifteen percent approval. Eight percent had no opinion. The farmer's response to the Agricultural University was even more disturbing. Eighty-eight percent disapproved of the activities of the university with no percentage of approval. Twelve percent had no opinion. Lack of communication, minimal interaction, and misunderstanding of the roles these institutions play are reasons given for such a negative response. The Village Bank, however, was overwhelmingly given approval of its role. Ninety-eight percent of the farmers spoke favorably of the Village Bank versus two percent disapproval.

VIII. Women's Role

The survey indicates women are solely responsible for household duties as well as assisting on the farm in varying degrees. In the Village of Tersa, for example, only eight women assist on the farm with the remaining seventeen restricted to household duties. In the Village of Sandanhour, however, twenty-one women assist on the farm with the remaining four restricted to household duties. Additional tasks such as poultry and dairy projects are also carried out by women. Needless to say, no leisure time was indicated by the women.

IX. Non-Farm Employment

Sixty-four percent of the cooperating farmers are not considered full time farmers. In the Village of Tersa, for example, only nine considered themselves as full time farmers with the remaining sixteen working part-time as servants, guards, teachers and taxi drivers in addition to their farm employment.

ANNEX K

PART III 1981 DEFINITIONS OF SFPP COOPERATING AND
PARTICIPATING FARMERS

Definition

A Cooperating Farmer is a farmer who has been selected as one who has demonstrated successful management and has satisfactory financial stability. Credit extended to the Cooperating Farmer will be supplemental and/or in addition to the traditional loans advanced by the Bank, based upon a sound farm plan with emphasis on the earning capacity of the farm program. The extra credit will be at interest rates prescribed elsewhere in the policy and the additional inputs will not be government subsidized.

The Cooperating Farmer will receive individualized farm management assistance and in return will provide financial and farm management information as may be required on a continuing basis.

If a Cooperating Farmer loan deteriorates and becomes unworkable relative to set standards, the additional credit privileges shall be withdrawn and the farmer will be terminated from the Project.

The basic eligibility criteria for the Cooperating Farmer are:

- Credit factors sufficient to support the amount of credit advanced.
- She or he must not own and/or operate more than 5 feddans of cultivatable land in Egypt, except on an experimental basis, a group of Cooperating Farmers operating contiguous land that can be cultivated and cropped as one unit.
- She or he must derive their principal source of income from farming.
- The farm unit to be financed must be located in the Project Governorates.

PARTICIPATING FARMER

Definition

A Participating Farmer is a farmer who exhibits strong credit standards with emphasis on repayment capacity from a viable farm program and/or off-farm income. The amount of the loan will be determined upon the basis of the feasibility of the farm enterprise and off-farm income to repay the loan.

The Participating Farmer will have the freedom to make his own crop selection after governmental obligations, if any, are fulfilled. Farmers qualifying as Participating Farmers will have the availability of credit supplemental to and or in excess of government allocation, but at interest rates described elsewhere. Also, any additional farm operation inputs will not be government subsidized.

Participating Farmers will provide financial and farm management information as may be required on a continuing basis.

The basic eligibility criteria for the Participating Farmer are:

- She or he must now own and/or operate more than 5 feddans of cultivatable land in Egypt.
- She or he must derive their principal source of income from farming.
- The farm unit to be financed must be located in the Project Governorates.

The Village Bank Project Team will have the responsibility to select Participating Farmers from those who meet the requisite criteria. Participating Farmers selected must have a desire and will utilize additive and or supplemental credit for their operation. Individual farm management assistance will not be provided for the Participating Farmers. It is expected that the Participating Farmers selected will remain in the Project throughout its life.

Credit extended to Participating Farmers through this program will be on a very select basis. Therefore, high standards shall be established and maintained with the borrower fully informed of the terms and basic intent of the program.

No loan should be made under this program if strong credit standards are not present. Therefore, all such loans should be of satisfactory quality to only those borrowers demonstrating financial stability and successful management qualities.

ANNEX K

PART IV SELECTION METHODOLOGY FOR SFPP FARM RECORD BOOK SYSTEM

Twelve Cooperating, twelve Participating and twelve Control farmers from 3 Village Banks in each Governorate in the Project will be selected.

Cooperating Farmers: From the list of 25 cooperating farmers in any 3 Project Village Banks, determine the farmer's interest in cooperating with the Extension Research Specialist to provide the data required to complete the Farm Record Book for the next 3 years. If, for some reason, a farmer does not wish to participate or may not be available for a 3 year period, do not include the farmer in the FRB effort. When all farmers have been screened as described above - draw names at random from those remaining.

Participating Farmers: From the list of all current participating farmers in the same Village Banks used above, determine the farmers interested in cooperating with the Extension Research Specialist to provide the data required to complete the Farm Record Book for the next 3 years. If for some reason, a farmer does not wish to participate, does not want to continue periodic borrowing through the Project, or may not be available for a 3 year period, do not include the farmer in the FRB effort. When all farmers have been screened as described above - draw names at random from those remaining.

Control Farmers: In a comparable farming area in another Village Bank territory (but not far from the area of residence/work or the Extension Research Specialists), make arrangements to work with randomly selected farmers. From the list of small farmers (5 feddans or less) in a village area, draw names at random and contact the farmer. Explain the FRB effort (the fact that his data is confidential, and it is for the benefit of the small farmers of Egypt) and determine his interest. If interested, tell him that it will be for 3 years, about 2 hours every 2 weeks. Also tell him a Gift chosen by him at _____ shop of maximum 75 LE cost will be his after the book is completed up to date for this season's crops and livestock. Also if he agrees, start getting the data. If not, go on to the next name taken at random.

General: Should a farmer subsequently have to discontinue his cooperation on the FRB data collection effort, replace him in the same manner described above and attempt to get all data on current enterprises (crop and livestock, etc.). Keep in mind that all farmers borrowing from the Project are to give any data requested - one of the conditions for granting credit.

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ANNEX K

PART V EQUIPMENT NEEDS OF EGYPTIAN SMALL FARMERS
 ACCORDING TO SFPP FARM MANAGEMENT TEAMS

Good Parabolic type subsoiler to match make and horsepower of tractor
Good heavy chisel to match make and horsepower of tractor
Good medium chisel to match make and horsepower of tractor
Good disc plow to match make and horsepower of tractor
Good moleboard plow to match make and horsepower of tractor with throw
away shares
Good roto-tiller to match make and horsepower of tractor
Good ring roller of the Schmiser type
Heavy steel float or good small landplane
Small, good grain drill for planting grain and sorghum by broadcast seeder
Brillion grass seeder for planting berseem and alfalfa
Lister for making rough beds and furrows
Disc ridger for making rough beds and furrows
Bed shaper for shaping beds
Planters for planting on dry beds for irrigating up - can be pushed by hand,
mounted on bed shaper or mounted on tractor
Harrow to knock off tops of pre-irrigated beds for planting or to harrow in
broadcast seed
Planters for planting corn, cotton, beans, peas on dry rough beds or pre-
irrigated harrowed off beds, can be hand pushed or tractor mounted
Cultivators - hand pushed or tractor mounted
Sprayers and attachments to apply pesticides, herbicides and other chemicals
Fertilizer applicator - side dresser, drill or broadcaster
Harvesting machinery for wheat and cotton
Threshing machinery - winnowers and shellers
Improved packaging
Scales for weighing livestock and crops
Hammer mill for grinding livestock feed

ANNEX L

TABLE I **ACTUAL PLANTING DATES FOR WHEAT BY SFPP FARMERS**
IN SHARKIA, WINTER SEASON 1982/83

Village Bank	Area (Feddans)	Previous Crop	Date Previous Crop Removed	Date of Planting	
				Start	Finish
Mobasher	66	Cotton	11-5-1982	11-7-82	11-15-82
Shoubra El Nakhla	40	Cotton & Maize	11-5-1982	11-7-82	11-15-82
Ibrahimia	58	Cotton	11-2-1982	11-7-82	11-15-82
Astougi	119	Maize	10-30-1982	11-7-82	11-15-82
Bordeen	60	Cotton	11-2-1982	11-7-82	11-15-82
Kafr Ayoub	30	Cotton & Maize	11-2-1982	11-7-82	11-15-82
El Sadaat	30	Cotton	11-5-1982	11-7-82	11-15-82
TOTAL	403				

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ANNEX L

TABLE II ACTUAL PLANTING DATES FOR BERSEEM CLOVER
BY SFPP FARMERS IN SHARKIA,
WINTER SEASON 1982/83

Village Bank	Area (Feddans)	Previous Crop	Date Previous Crop Removed	Date of Planting	
				Start	Finish
Mobasher	76	Rice	11-10-1982	11-10-82	11-15-82
Shoubra El Nakhla	100	Cotton, Maize, Rice	11-15-1982	NA	11-15-82
Ibrahimia	80	Maize	10-5-1982	10-5-82	10-10-82
Aslougi	64	Maize, Rice	11-7-1982	11-7-82	11-10-82
Bordeen	130	Rice	10-12-1982	10-15-82	10-29-82
Kafr Ayoub	56	Rice	11-4-1982	11-7-82	11-15-82
El Sadaat	100	Maize, Cotton, Rice	11-5-1982	11-7-82	11-15-82
TOTAL	606				

ANNEX L

TABLE III ACTUAL PLANTING DATES FOR FOUL BEANS
 BY SFPP FARMERS IN SHARKIA,
 WINTER SEASON 1982/83

Village Bank	Area (Feddans)	Previous Crop	Date Previous Crop Removed	Date of Planting	
				Start	Finish
Mobasher	2	Maize	10-17-1982	11-2-82	11-4-82
Snoubra El Nakhia	5	Rice	11-10-1982	11-10-82	11-15-82
Aslougi	11	Maize	10-17-1982	10-25-82	11-3-82
El Sadaat	5	Rice	11-5-1982	11-7-82	11-15-82
<hr/>					
TOTAL	23				

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ANNEX L

TABLE IV APPROXIMATE NUMBER OF SMALL FARMERS IN SHARKIA
RECEIVING INTENSIVE FARM MANAGEMENT ASSISTANCE
THROUGH SFPP 1981 - 1982 BY CROP SEASON

	<u>First Season</u> (Summer 1981)	<u>Second Season</u> (Winter 1981)	<u>Third Season</u> (Summer 1982)	<u>Fourth Season</u> (Winter 1982)
Village Banks:				
1. <u>Kafr Ayoub</u>				
Number of farmers	34	92	128	325
Number of feddans	38	64	110	226
2. <u>Aslougi</u>				
Number of farmers	55	48	116	330
Number of feddans	42	35	116	187
3. <u>Ibrahimia</u>				
Number of farmers	46	78	92	79
Number of feddans	46	34	110	57
4. <u>Bordeen</u>				
Number of farmers		21	83	308
Number of feddans		25	91	372
5. <u>Shoubra El Nakhla</u>				
Number of farmers		33	40	102
Number of feddans		29	45	142
6. <u>Mobasher</u>				
Number of farmers		18	32	230
Number of feddans		8	25	153
TOTAL FOR GOVERNORATE				
Number of farmers	135	290	491	1374
Number of feddans	126	195	497	1137

SOURCE: Preliminary estimates. Evaluation Team Compilation of SFPP Data
Obtained in the Governorates and in Cairo.

ANNEX L

TABLE V APPROXIMATE NUMBER OF SMALL FARMERS IN ASSIUT
RECEIVING INTENSIVE FARM MANAGEMENT ASSISTANCE
THROUGH SFPP 1981 - 1982 BY CROP SEASON

	<u>First Season</u> (Summer 1981)	<u>Second Season</u> (Winter 1981)	<u>Third Season</u> (Summer 1982)	<u>Fourth Season</u> (Winter 1982)
Village Banks:				
1. <u>Abnoub</u>				
Number of farmers	30	50	63	388
Number of feddans	18	48	51	278
2. <u>El Motiah</u>				
Number of farmers	19	69	104	339
Number of feddans	21	65	96	219
3. <u>Abu Tiq</u>				
Number of farmers	26	26	15	86
Number of feddans	30	30	27	154
4. <u>Harman</u>				
Number of farmers			36	108
Number of feddans			25	108
5. <u>Mosha</u>				
Number of farmers			22	255
Number of feddans			20	204
6. <u>Nakela</u>				
Number of farmers			20	115
Number of feddans			25	115
TOTAL FOR GOVERNORATE				
Number of farmers	75	145	260	1291
Number of feddans	69	143	245	1071

SOURCE: Preliminary Estimates. Evaluation Team Compilation of SFPP Data
Obtained in the Governorates and in Cairo.

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ANNEX L

TABLE VI APPROXIMATE NUMBER OF SMALL FARMERS IN KALYUBIA
RECEIVING INTENSIVE FARM MANAGEMENT ASSISTANCE
THROUGH SFPP 1981 - 1982 BY CROP SEASON

	<u>First Season</u> (Summer 1981)	<u>Second Season</u> (Winter 1981)	<u>Third Season</u> (Summer 1982)	<u>Fourth Season</u> (Winter 1982)
Village Banks:				
1. <u>Sandanhour</u>				
Number of farmers	25	50	50	338
Number of feddans	23.05	64.01	74.02	169.02
2. <u>Kaha</u>				
Number of farmers	25	37	50	246
Number of feddans	23.15	23.02	69.07	206.04
3. <u>Tersa</u>				
Number of farmers	25	32	50	347
Number of feddans	29.20	26.01	77.04	222.08
4. <u>Aghour</u>				
Number of farmers			25	313
Number of feddans			35.18	204.14
5. <u>Kafr El Arbain</u>				
Number of farmers			25	330
Number of feddans			41.09	206.14
6. <u>Sheblanga</u>				
Number of farmers			25	346
Number of feddans			50.12	247.15
<u>TOTAL FOR GOVERNORATE</u>				
Number of farmers	75	119	225	1920
Number of feddans	75.40	113.04	346.52	1254.57

SOURCE: Preliminary Estimates. Evaluation Team Compilation of SFPP Data
Obtained in the Governorates and in Cairo.

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ANNEX L

TABLE VII EQUIPMENT PURCHASED BY SFPP FOR SMALL FARMERS
IN 1982

Date	Type and Brand	Description	No.	Unit Price	Total Price	Distribution		
						Assiut	Kalyubia	Sharkia
Oct. 1982	Potato Planter	2 Row	1	1,960	1,960		1	
Oct. 1982	Grain Drill Nordsten from Denmark	17 Drops 2 M	1	2,875	2,875		1	
Oct. 1982	Double Sickle Mower, Bugatis German	1.5 M	3	1,550	4,650			3
Oct. 1982	Double Sickle Mower, Busatis German	1.5 M	9	1,500	13,500	6	2	1
Oct. 1982	Single Blade Mower, Italian	1.5 M	1	895	895		1	
Nov. 1982	Koto-Tiller Faic, Italian	1.8 M	3	1,950	5,850	1	1	1
Nov. 1982	Ridger Locally made	4.	6	360	2,160	2	2	2
Nov. 1982	Disc Harrow Ransome England	28 Disc	2	2,350	4,700	1	1	
Nov. 1982	Disc Harrow John Deere	24 Disc	1	2,300	2,300			
Nov. 1982	Grain Drill Gallignani	21 Drops	2	3,700		1		
Jan. 1983	Walk A Wick Herbicide Ap- plicator		3			1	1	1
Jan. 1983	Fertilizer Side Dresser		3			1	1	1
Jan. 1983	Cyclone Seeder/ Fertilizer Spreader		9			3	3	3
May 1982	Irrigation Siphon		400				200	200
Dec. 1982	Sprinkler Irr- igation System for Lentils		1			1		
Jan. 1983	Plastic nurseries for seedlings					2	2	1
Jan. 1982	Debeaker	Lyon	3					
Sept. 1982	Debeaker	Egyptian	1					

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ANNEX L

TABLE VIII EQUIPMENT TO BE PURCHASED BY SFPP IN 1983

<u>Type of Equipment</u>	<u>Cairo Office No.</u>	<u>Kalyubia Gov. No.</u>	<u>Zagazig Gov. No.</u>	<u>Assiut Gov. No.</u>	<u>Total Units No.</u>	<u>Price Per Unit</u>
Mowing Machine	0	9	9	9	27	1,500
Roto-Tiller	0	3	3	3	9	1,950
Ridger	0	7	7	7	21	360
Wheat Drill	0	2	2	2	6	3,650
Small Tractor/Tiller	0	2	2	2	6	2,500
Small Tractor/Mower	0	2	2	2	6	-
Planters	0	3	3	3	9	5,000
Chopper/Grinder	0	4	4	4	12	6,127
Land Levelers	0	9	9	9	27	800
1 Row Tractor/Cultivator	0	4	4	4	12	1,600
Irrigation Pumps		Through	Loan	Program		
Sprayers	0	4	4	4	12	1,000
Irrigation Sprinkler System	0	0	0	6	6	1,000
Aluminum Pipe for Irrigation	0	1	1	1	3	2,000
Siphons for Irrigation	0	1,000	1,000	1,000	3,000	3

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ANNEX M

USE OF IMPROVED AGRICULTURAL PRACTICES BY FARMERS
IN THE SMALL FARMER PRODUCTION PROJECT

According to interviews with SFPP farmers, a large portion of Project farmers indicated they had tried new practices and changed their farming methods. To gain more insight into the type of new farming practices being introduced, the Evaluators asked the Farm Management Team in each Governorate to list specific improved practices, new/improved seeds/fertilizers, and equipment that were being introduced. We also asked them to list the number of cooperating, participating, and the other farmers using each practice. Each Governorate Farm Management Team provided an extensive list of practices that were being used or introduced to their Governorates, along with the number of farmers using the practices.

New Crop Varieties: A review of the survey data showed that a large number of new or improved crop varieties were being tried. Many of these new varieties had been developed and released by the Egyptian agricultural researchers during the last several years. New varieties of traditional Egyptian crops being introduced included Maize (Pioneer 514 and Giza 2), wheat (Giza 155, Giza 157 and Sakha 61) and fowl beans (Giza 2). All of the Giza varieties are improved varieties developed in Egypt at the Giza research station near Cairo.

Also varieties of non traditional crops, mainly soybeans and vegetables, such as Clark soybeans, ACE tomatoes and Alexandria squash were introduced. Peto 86, a California tomato variety, was introduced to Egypt recently through the University of California /AID Agricultural Development Systems Project (ADS). This is a good example of interaction between AID agricultural projects. ADS field-tested tomato varieties in controlled field tests in different parts of Egypt. The SFPP Farm Management Team applied the results at the field level.

In most cases, not enough information is available to accurately ascertain the extent to which new varieties are being adapted. However, it appears that almost 100 percent of the wheat grown by cooperating farmers during the winter season in Aghour was of the improved varieties. Also 40 percent of wheat in Sandanhour was planted to improved varieties. Eighty-eight percent of the potato varieties in Sandanhour were improved as were 70 percent of the fowl beans.

Livestock Enterprises: Various livestock enterprises have been introduced and/or initiated by the SFPP. These included improved dairy cows, rabbits, beekeeping, broilers, poultry for eggs and calves for fattening. In Tersa, 132 Project farmers purchased 142 improved dairy cows, 20 improved calves, and 380 hives of honey bees. Also 4 Project farmers raised 20,000 broilers (Lulman, Hubbard, and Dokky 4), and 3 farmers raised chickens for laying (L.S.L.). Also 2 Project farmers purchased 76 rabbits (Flandarz, Bibioty).

The SFPP recently introduced a battery cage layer system (96 bird) in Sharkia and Kalyubia. In mid-February, 2,700 pullets were distributed to 54 farmers in Sharkia. In several months an additional 3,000 pullets will be distributed. For this small scale layer enterprise, farmers buy one or more of 96 bird batteries of cages and install it/them in one of the rooms of their house or in other buildings. The SFPP has arranged for the farmers to buy the pullets from a grower with whom the Project contracted to grow pullets from day-old chicks. The SFPP also arranges for the farmers to buy feed at market prices for their cage layer operations. Feasibility studies by the SFPP indicated that this type of caged layer enterprise should be very profitable for small farmers. Also, it will help to up-grade the diets of farm and village families.

The SFPP has introduced improved sheep in some of the villages and plans to import Damascus goats from Cyprus to improve the blood line of local goats. They have also arranged for 200 head of improved water buffaloes to be made available through the Project and more are expected to be available for distribution during the coming year.

Improved or New Equipment: Shortages of labor in rural areas during the peak seasons have been a growing problem for small farmers. Consequently, they want and request machinery and equipment to speed up land preparation, harvesting and other critical agricultural operations. SFPP approached farm mechanization from the point of view that there are adequate power sources in rural areas (30,000 or more tractors in Egypt). The problem was not power sources, but rather appropriate implements and attachments for the tractors.

SFPP decided not to introduce small roto-tiller tractors because (a) they are somewhat delicate and subject to breakdowns, (b) shortages of spare parts, (c) Egyptians are not used to this type of equipment, and (d) the total cost of the roto-tillers and attachments is too high for small farmers. On the other

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hand, tractors are already in villages and what is needed is implements and attachments. During October and November, 1982 the Project received and distributed to the Governorates, a number of implements including: 1 potato planter, 2 grain drills, 12 double sickle side mowers, 1 single blade mower, 1 roto-tiller, 2 disc harrows, and 1 ridger. During January 1983, they distributed 3 Walk-A-Wick herbicide applicators, 3 hand pushed fertilizer applicators and 4 chick debeakers.

The agricultural equipment was well received in the Governorates and most has been used or demonstrated this past season. In some cases, the equipment was sold directly to farmers and in others it was retained by the Project for demonstration use. The sickle mowers were used to cut cotton stalks after harvest and they were particularly well received. This speeded up the process of removing cotton stalks and permitted the farmer to plant his next crop on time.

Land Preparation and Planting Practices: There were demonstrations of disc harrows and roto-tillers for example, in Tersa where 5 farmers operating a total of 5 feddans had their land roto-tilled and leveled. Wheat drills were used to demonstrate a new method of planting. Also, in each Governorate, plastic tunnel nurseries were introduced for early growing of tomato seedlings for transplanting. Intensive planting (high plant population) methods for onion, garlic and tomatoes have been introduced.

Fertilization Practices: There was a general increase in the amounts of fertilizer used and in the timeliness of application. Soil analyses are now being carried out in Project areas. Gypsum was applied on some farms in Kalyubia. Foliar fertilizer was applied in several village bank areas. For example, 65 cooperating and 65 participating farmers in Tersa used Foliar fertilizer. Each Governorate recently received from SFPP a cyclone type fertilizer broadcaster for demonstration use.

Irrigation Techniques: Two hundred irrigation siphons were introduced and used in Kalyubia where 13 feddans of corn were furrow irrigated. Corn was also furrow irrigated in Sharkia. In Assiut a portable sprinkler irrigation machine was used for the first time for the irrigation of 35 feddans of lentils. Several irrigation pumps were financed by SFPP loans.

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Pest and Weed Control Practices: The use of herbicides for weed control is a practice having great potential for yield improvement. SFPP farmers are trying Gesegaard on lentils in Assiut, and Brominal on wheat. Gasagran is also being used in berseem on an experimental basis. SFPP is making progress in developing plant protection programs involving the use of fungicides, pesticides and herbicides. Emphasis is being given to early detection and timely treatments.

Harvesting and Marketing Practices: A limited number of marketing activities has been undertaken. For demonstration purposes, plastic containers were used for marketing tomatoes in Assiut and Kalyubia. The tomatoes arrived in the markets in very good condition. The use of plastic containers will probably progress slowly and be limited because no one in the marketing system appears to be willing to bear the initial cost of containers. Assiut AFPP has assisted Project farmers with marketing arrangements. For example, SFPP arranged for them to grow fowl beans under contract for a seed distributor. Also, SFPP assisted in arranging a contract between onion growers and an onion dehydration company.

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ANNEX N

SMALL FARMER PRODUCTION PROJECT

WORK PLANS FOR

FARM MANAGEMENT COMPONENT

APPROVED JUNE 7, 1981

(ACTIVITY DESCRIPTION)

	<u>Start</u>	<u>Finish</u>
1. Farm Management Specialist chosen, arrives in Egypt, and formation of farm management team developed.	Sept./80	Jan./81
2. BDAC team members chosen and formation of farm management team developed.	Sept./80	Jan./81
3. MOA team member(s) chosen and formation of farm management team developed.	Sept./80	Jan./81
4. Nine sets of farm management teams established.	Sept./80	Jan./81
5. 225 cooperative farmers selected.	Sept./80	Jan./81
6. Assist in conducting soil, leaf and tissue analysis and advise in their use.	Feb./81	Dec./81
7. Advise extension/research personnel in the use of new production techniques and equipment.	Feb./81	Dec./81
8. Advise extension/research personnel in the use of new marketing/packing equipment and techniques.	Feb./81	Dec./81
9. Assist in initiating plant pest/disease/weed identification and control program.	Feb./81	Dec./81
10. Advise extension/research personnel in the use of new and improved seed.	Feb./81	Dec./81
11. Advise extension/research personnel in the use of new and improved fertilizer.	Feb./81	Dec./81
12. Advise extension/research personnel in the use of new and improved irrigation techniques.	Feb./81	Dec./81
13. Nine extension programs established in nine village banks.	Feb./81	Dec./81
14. Assist in designing and supervise the use of a farm record keeping book.	Feb./81	July/81
15. Assist in developing nine uniform operational systems of obtaining in each village bank, the costs of production, yields, and marketing data.	Feb./81	July/81
16. Assist in developing improved coordination and cooperation between Agricultural Research, Extension, PBDAC and the small farmer.	Jan./81	Dec./81
17. Review and evaluate farm management practices.	Jan./81	Dec./81
18. Eighteen sets of farm management teams established.	Dec./81	Jan./82
19. 675 cooperative farmers selected.	Dec./81	Jan./82

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	<u>Start</u>	<u>Finish</u>
20. Assist in supervising the use of the farm record keeping system.	Jan./82	Feb./82
21. Assist in supervising eighteen operational systems of obtaining in each village bank the small farmer costs of production, yields and marketing data.	Jan./82	Feb./82
22. Assist in conducting soil, leaf and tissue analysis and advise in their use.	Feb./82	Dec./82
23. Advise extension/research personnel in the use of new production techniques and equipment.	Feb./82	Dec./82
24. Advise extension/research personnel in the use of new marketing/package equipment and techniques.	Feb./82	Dec./82
25. Assist in initiating plant/pest/disease/weed identification and control program.	Feb./82	Dec./82
26. Advise extension/research personnel in the use of new and improved seed.	Feb./82	Dec./82
27. Advise extension/research personnel in the use of new and improved fertilizer.	Feb./82	Dec./82
28. Advise extension/research personnel in the use of new and improved irrigation techniques.	Feb./82	Dec./82
29. Eighteen extension programs established in eighteen village banks.	Feb./82	Dec./82
30. Assist in developing improved coordination and cooperation between Agricultural Research, Extension, PBDAC and the small farmer.	Jan./82	Dec./82
31. Review and evaluate farm management practices.	Jan./82	Dec./82
32. Twenty-seven sets of farm management teams established.	Dec./82	Jan./83
33. 1,350 cooperative farmers selected	Dec./82	Jan./83
34. Assist in supervising the use of the farm record keeping book.	Jan./83	Feb./83
35. Assist in supervising twenty-seven uniform operational systems of obtaining in each village bank the small farmer costs of production, yields and marketing data.	Jan./83	Feb./83
36. Twenty-seven extension programs established in twenty-seven village banks.	Feb./83	Dec./83
37. Assist in developing improved coordination and cooperation between Agricultural Research, Extension, PBDAC and the small farmer.	Jan./83	Dec./83
38. Review and evaluate farm management practices.	Jan./83	Dec./83

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	<u>Start</u>	<u>Finish</u>
39. 2,025 cooperative farmers selected	Dec./83	Jan./84
40. Assist in supervising the use of the farm record keeping book.	Jan./84	Feb./84
41. Assist in supervising the twenty-seven uniform operational systems of obtaining in each village bank the small farmer costs of production, yields and marketing data.	Jan./84	Feb./84
42. Twenty-seven extension programs established in twenty-seven village banks.	Feb./83	1984
43. Assist in developing improved coordination and cooperation between Agricultural Research, Extension, PBDAC and the small farmer.	Jan./84	1984
44. Review and evaluate farm management practices.	Jan./84	1984
45. End of Project - The productivity of the small farmer has increased leading to greater small farmer income and employment through the application of improved farm management practiced.	1980	1984

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PART I COMPARATIVE YIELDS

Comparative Egg Plant Yields, Kayubia

1. Kaha

A. 1980 Base Yield:	12.6 tons per feddan			
B. 1980 Preproject Yield :	Project Farmers 20	Village Farmers 14		
C. Summer 1981:	Project Yields	Local Yields	Ratio Project/ Local	Ratio Project/ Base
Project Farmers: Cooperating-	20	14	1.43	1.59
D. Summer 1982:				
Project Farmers-	24.7	22	1.12	1.96

2. Tersa

A. 1980 Base yield:	8 tons per feddan			
B. 1980 Preproject Yields:	Village Farmers 5			
C. Summer 1981:	Project Yields	Local Yields	Ratio Project/ Local	Ratio Project/ Base
Project Farmers: 1. Cooperating-	15	12	1.25	1.87
2. Participating-	12	12	1.0	1.5
D. Summer 1982:				
Project Farmers-	20.7	14.5	1.43	2.59

Comparative Tomato Yields, Kalyubia

1. Kaha

A. 1980 Base Yield:	10.7 tons per feddan			
B. Summer 1981:	Project Yields	Local Yields	Ratio Project/ Local	Ratio Project/ Base
Project Farmers: 1. Cooperating-	16	13	1.23	1.5
2. Participating-	13	13	1.0	1.22
D. Summer 1982:				
Project farmers	20	17	1.18	1.87

2. Tersa:

A. 1980 Base Yield:	6 tons per feddan			
B. Summer 1981:	Project Yields	Local Yields	Ratio Project/ Local	Ratio Project/ Base
Project Farmers: 1. Cooperating-	16	10	1.60	2.67
2. Participating-	9.25	10	.93	1.54
C. Summer 1982:				
Project farmers-	8.5	17	0.50	1.42

3. Sandanhour

A. 1980 Base Yield :	8.8 tons per feddan			
B. 1980 Project Yields:	Project Farmers 7.5	Village Farmers 6		
C. Summer 1981:	Project Yields	Local Yields	Ratio Project/ Local	Ratio Project/ Base
Project Farmers: Cooperating-	19.5	-	-	2.22

PART II COMPARATIVE YIELDS

Comparative Soy bean Yields, Kalyubia
(Metric tons per feddan)

1. Kaha

A. 1980 Preproject Yields:	Project Farmers	Village Farmers	
	1.15	0.9	
B. Summer 1981:	Project Yields	Local Yields	Ratio Project/Local
Project Farmers:			
1. Cooperating-	1.3	1.1	1.18
2. Participating-	1.15	1.1	1.05
C. Summer 1982:			
Project Farmers-	1.5	1.2	1.25

2. Tersa

A. 1980 Baseline Yields:			
B. 1980 Preproject Yields:	Project Farmers	Village Farmers	
	1.05	1.25	
C. Summer '81:	Project Yields	Local Yields	Ratio Project/Local
Project Farmers:			
1. Cooperating-	1.57	1.39	1.13
2. Participating	1.2	1.39	0.94
D. Summer 1982:			
Project Farmers-	1.4	1.1	1.27

3. Sandanhour

Summer 1982 :	1.52	1.0	1.52
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Comparative Cotton Yields,
Kalyubia

1. Kaha

A. 1980 Base Yield:	8.4 Kintar per feddan			
B. 1980 Preproject Yields:	Project Farmers	Village Farmers		
	6.6	8.5		
C. Summer 1981:	Project Yields	Local Yields	Ratio Project/Local	Ratio Project/Base
Project Farmers				
1. Cooperating-	10.4	9	1.16	1.24
2. Participating-	9.3	9	1.03	1.11
D. Summer 1982:				
Project Farmers-	9.6	8.3	1.16	1.14

2. Tersa

A. 1980 Base Yield:	8.1 Kintars per feddan			
B. 1980 Preproject Yields:	Project Farmers	Village Farmers		
	8.0	8.3		
C. Summer 1981:	Project Yields	Local Yields	Ratio Project/Local	Ratio Project/Base
Project Farmers:				
1. Cooperating-	9	8	1.13	1.11
2. Participating-	8.5	8	1.06	1.05
D. Summer 1982:				
Project Farmers-	9.8	8.4	1.17	1.21

3. Sandanhour

A. 1980 Base Yields:	6.7 Kintars per feddan			
B. Summer 1981:	Project Yields	Local Yields	Ratio Project/Local	Ratio Project/Base
Project Farmers:				
1. Cooperating	8	-	-	1.19
C. Summer 1982:				
Project Farmers-	9.57	8.75	1.09	1.43

ANNEX Q

INDIVIDUALS CONTACTED

The following is a list of persons contacted in conjunction with the evaluation. The list is incomplete in that it does not include the more than sixty farmers who were formally interviewed. Neither does it include many of the individuals contacted in the Village Banks and in the villages during the observation and study of the credit and farm management programs. People who were met in the shounas and agencies in conjunction with the evaluation of the storage and transportation component are also excluded. The Evaluation Team acknowledges with thanks, the information provided and assistance rendered by these named and unnamed individuals.

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INDIVIDUALS CONTACTED BY EVALUATION TEAM

I. Small Farmer Production Project Office - Dokki

Mr. Mahmoud Noor - Project Director
Mr. Ronnie G. Gollehon - Project Co-Director and Senior
Credit Specialist
Mr. Clarence Livingston - Storage/Transportation Specialist
Mr. Emilio Garza - Training Specialist
Dr. Saad El Sharif - Special Assistant
Mrs. Florence V. Obey - Special Assistant
Mr. Mark Ufkus - Special Assistant
Mr. Magdi Mohamed- Follow-up person for Sharkia
Mr. Sabhi Abdel Hamed - Follow-up person for Assiut
Mr. Ibrahim Gawish - Follow-up person for Kalyubia
Mr. Ibrahim Abu Elyazid - Follow-up - Financial Assistant
Mrs. Mona Fahmy Elnabarawy - Reports and Studies

II. Small Farmer Production Project Office - Benha

Mr. El Mamdouh Zawi - Sub-Minister of Agriculture
Mr. Ali Radwan - BDAC Chairman
Mr. Ahmed Issa - Project Director
Mr. Robert Fischer - Credit Specialist
Mr. Mark Schuster - Farm Management Specialist
Mr. Kamel Abd El Gilil Mohamed - Farm Management Extension Officer
Mr. Sayed Hussein - Credit Officer
Mr. Salah El Rafii - Farm Management Extension Officer
Mr. Golhari - Training Officer
Mr. Said Farid - Accountant

III. Small Farmer Production Project Office - Zagazig

Mr. Nabil Khalifa - Project Director
Mr. Jesse Ketchum - Credit Specialist
Mr. Calvin Hardt - Farm Management Specialist
Mrs. Juanita Ketchum - Special Assistant - Training
Mr. El Sayed Mohamed Youssef - Credit Officer
Mr. Mahmoud Grib - Farm Management Extension Officer
Mr. Mohamed El Sayed Nassar - Farm Management Extension Officer
Mr. Anis Owais - Training Officer
Mr. Mohamed Neguida - Storage Officer

IV. Small Farmer Production Project Office - Assiut

Mr. Esmat Sawi - BDAC Chairman
Mr. Mohamed Saheh - Project Director
Mr. Kenneth Compton - Credit Specialist
Mr. Philip Morrow - Farm Management Specialist
Mr. Mohamed Adel Abd El Raouf - Credit Officer
Mr. Ateff Youssen Mohamed Hashem - Farm Management Extension Officer
Mr. Ahmed Mikki - Farm Management Extension Officer
Mr. Abdel Gawad - Training Officer
Mr. Monib Mohamed Ahmed Moharram - Follow-up Specialist

V. Principal Bank for Development and Agricultural Credit

Mr. Fathalla Rawfat - Chairman
Mr. Abdel Kader - Deputy Chairman - Production/Storage
Mr. Ali Sheta - Deputy Chairman - Credit/Finance
Mr. Lutfy Kafrawry - General Manager - Planning
Mr. Adel Shanab - General Manager - Investments
Mr. Nagib Attia - General Manager - Storage/Production
Mr. Yehya Haggag - General Manager - Storage/Financing
Mr. Mokhtar Fayeek - Consultant to the Chairman of the Board -
Accounting/Finance
Mr. Mahmoud Toema - Director of Training
Mr. Toba Ibrahim Toba - Accountant

VI. U. S. Agency For International Development

Mr. Michael Stone - Director
Mr. Owen Cylke - Deputy Director
Dr. Raymond Fort - Assistant Director for Agricultural Resources
Mr. Arnold Radi - Deputy Ass't. Director for Agricultural Resources
Ms. Elizabeth Martella - Project Officer
Mr. John Foster - Former Project Officer
Mr. Roger Russell - Engineer - Office of Irrigation and Land
Development
Mr. Frank Moore - Director - Office of Agricultural Planning,
Analysis and Design
Ms. Emily Baldwin - Evaluation Officer

VII. U. S. Department of Agriculture

Mr. Verle Lanier - Agricultural Counselor

VII. Others

Mr. M. A. Salaam El Maazawy - Economic and Management Consultant
Mr. Ahmed Abdel Aziz - Project Manager - P. B. Sabbour
Mr. Mamdouh El Oraby - Civil Engineer - Sub-Contractor to
P. B. Sabbour
Mr. Kamel Nasser - Chairman - Giza Development Bank and
former Project Director - SFPP
Ms. Diana de Treville - Anthropologist
Mr. Peter S. Calkin - IFAD - El Fayoum Project
Mr. Tirso V. Antiporda - Team Leader-World Bank/PBDAC Project
Mr. Eugenio V. Mendoza - Agricultural Credit Consultant -
World Bank/PBDAC Project
Mr. Robert P. Tablante - Accounting and EDP Consultant -
World Bank/PBDAC Project

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