

PROJECT APPRAISAL REPORT (PAR)

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1. PROJECT NO. 526-15-110-050.2

FOR PERIOD: 7/15/70 TO 5/1/71

3. COUNTRY: PARAGUAY

4. PAR SERIAL NO. 71-2

5. PROJECT TITLE: AGRICULTURE CREDIT UNIONS

PD-AAN-436

A.I.D. Reference Center

6. PROJECT DURATION: Began FY 69 Ends FY 76

7. DATE LATEST PROP 7/15/70 ✓

8. DATE LATEST PIP 7/15/70 ✓

9. DATE PRIOR PAR NONE

10. U.S. FUNDING

a. Cumulative Obligation Thru Prior FY: \$ 41,000

b. Current FY Estimated Budget: \$ 80,000

c. Estimated Budget to completion After Current FY: \$ 384,000

11. KEY ACTION AGENTS (Contractor, Participating Agency or Voluntary Agency)

a. NAME: GUNA, International

b. CONTRACT, PASA OR VOL. AG. NO. Contract No. AID-526-234

I. NEW ACTIONS PROPOSED AND REQUESTED AS A RESULT OF THIS EVALUATION

A. ACTION (X)			B. LIST OF ACTIONS	C. PROPOSED ACTION COMPLETION DATE
USAID	AID/W	HOST		
X		X	Pressure MDE to give 7 1/2% rate on loans to the cooperatives	Dec. 71
		X	Passage of new cooperative law	Dec. 71
X		X	Pressure Ministry of Agriculture to increase	Dec. 73
X			Revision of MOP	June 15, 71

D. REPLANNING REQUIRES REVISED OR NEW: PROP PIP PRO AG PIO/T PIO/C PIO/P

E. DATE OF MISSION REVIEW: April 14, 1971

PROJECT MANAGER: TYPED NAME, SIGNED INITIALS AND DATE: Gary F. Miller *Gary F. Miller*

MISSION DIRECTOR: TYPED NAME, SIGNED INITIALS AND DATE: *[Signature]*

PERFORMANCE OF KEY INPUTS AND ACTIVITIES

A. INPUT OR ACTION AGENT CONTRACTOR, PARTICIPATING AGENCY OR VOLUNTARY AGENCY	B. PERFORMANCE AGAINST PLAN							C. IMPORTANCE FOR ACHIEVING PROJECT PURPOSE (X)					
	UNSATISFACTORY		SATISFACTORY			OUT-STANDING		LOW		MEDIUM		HIGH	
	1	2	3	4	5	6	7	1	2	3	4	5	
1. CUNA International					X								X
2.													
3.													

Comment on key factors determining rating

The contractor has a clear understanding of the nature and scope of the project objectives and has formulated realistic project plans which encompass total project life activities. Specific intermediate goals have been established. The goals are deemed adequate as well as realistic.

4. PARTICIPANT TRAINING	1	2	3	4	5	6	7	1	2	3	4	5
					X							X

Comment on key factors determining rating

Acceptable training plans have been developed and it is anticipated that sufficient local personnel will be adequate by trained to continue the project after the operation is completed.

5. COMMODITIES	1	2	3	4	5	6	7	1	2	3	4	5
		X								X		

Comment on key factors determining rating

The procurement office has been hampered by an overload of work, resulting in serious delays of programmed commodities. Supplies have not arrived on schedule.

6. COOPERATING COUNTRY	a. PERSONNEL	1	2	3	4	5	6	7	1	2	3	4	5
	b. OTHER		X										

Comment on key factors determining rating

- a. Personnel (three) provided are competent and have had some training in cooperatives. Backstopping is good.
- b. COF has provided funds to MIB to match savings of cooperatives; however, rate of interest is too high and time required to obtain loan is too long.

7. OTHER DONORS	1	2	3	4	5	6	7	1	2	3	4	5

(See Next Page for Comments on Other Donors)

II. 7. Continued; Comment on key factors determining rating of Other Donors

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					END OF PROJECT
		CUMULATIVE PRIOR FY	CURRENT FY		FY 72	FY 73	
			TO DATE	TO END			
No. of Cooperatives DAPC/Total	PLANNED		20	25	50	75	125
	ACTUAL PERFORMANCE		3/10				
	REPLANNED			5/15	9/30	15/45	40/105
No. of members	PLANNED		6,000	8,750	17,500	26,250	43,750
	ACTUAL PERFORMANCE		4,000				
	REPLANNED			4,500	7,100	11,100	40,000
Value of loans to members (\$000 equivalent)	PLANNED		125	150	648	864	3,320
	ACTUAL PERFORMANCE		150				
	REPLANNED			156	351	648	5,058
	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						
B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS		COMMENT:					
1.	Self sufficiency of credit unions	<p>Target - 1 1/2 years for self-sufficiency to be achieved. Comment - Target appears reasonable from current experience.</p>					
2.	Contribution of members	<p>COMMENT: Target - Members contribute average of \$3,500 in savings. Comment - In the beginning the contributions are below the target average, but grow as the cooperative progresses. Current average is \$4,800. The average should continue to rise.</p>					
3.		COMMENT:					

IV. PROJECT PURPOSE

A. 1. Statement of purpose as currently envisaged. 2. Same as in PROP? YES NO

To create a strong net work of credit cooperatives that can provide the small farmer with credit at a reasonable rate of interest.

B. 1. Conditions which will exist when above purpose is achieved.	2. Evidence to date of progress toward these conditions.
<ol style="list-style-type: none"> 1. Trained leadership of cooperatives. 2. Credit cooperatives net work both in rural and urban areas. 3. 40,000 small farmers brought into the monetized economy by obtaining loans. 	<ol style="list-style-type: none"> 1. Two national courses have been given <ol style="list-style-type: none"> a. 44 hrs with 32 participants b. 38 hrs with 38 participants 2. So far rural credit cooperatives can be organized under present law. 3. Approximately 800 farmers have received loans.

V. PROGRAMMING GOAL

A. Statement of Programming Goal
 To increase production of the small farmer by making available to him agricultural credit through a self-sufficient system of cooperatives.

B. Will the achievement of the project purpose make a significant contribution to the programming goal, given the magnitude of the national problem? Cite evidence.

By making credit available to small farmers they can easily double their production. The total number of small farmers is approximately 150,000, and the annual average increase in production is 3%. If we can double the production of 1/4 of the small farmers, we can increase total production by 40%.