

CLASSIFICATION
PROJECT EVALUATION SUMMARY (PES) - PART I

Report Control
Symbol U-447

1. PROJECT TITLE Rural Communication Services			2. PROJECT NUMBER 598-0581	3. MISSION/AID/W OFFICE LAC/DR/EST
4. EVALUATION NUMBER (Enter the number maintained by the reporting unit e.g., Country or AID/W Administrative Code, Fiscal Year, Serial No. beginning with No. 1 each FY) 3				
<input checked="" type="checkbox"/> REGULAR EVALUATION <input type="checkbox"/> SPECIAL EVALUATION				
5. KEY PROJECT IMPLEMENTATION DATES		6. ESTIMATED PROJECT FUNDING		7. PERIOD COVERED BY EVALUATION
A. First PRO-AG or Equivalent FY <u>79</u>	B. Final Obligation Expected FY <u>83</u>	C. Final Input Delivery FY <u>86</u>	A. Total \$ <u>3,000,000</u> B. U.S. \$ <u>2,038,000</u>	From (month/yr.) <u>8/83</u> To (month/yr.) <u>8/84</u> Date of Evaluation Review

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

A. List decisions and/or unresolved issues; cite those items needing further study. (NOTE: Mission decisions which anticipate AID/W or regional office action should specify type of document, e.g., airgram, SPAR, PIO, which will present detailed request.)	B. NAME OF OFFICER RESPONSIBLE FOR ACTION	C. DATE ACTION TO BE COMPLETED
Transfer project management responsibility from LAC/DR to ST/ED	R. Martin	8/84

9. INVENTORY OF DOCUMENTS TO BE REVISED PER ABOVE DECISIONS	10. ALTERNATIVE DECISIONS ON FUTURE OF PROJECT												
<table style="width: 100%;"> <tr> <td><input type="checkbox"/> Project Paper</td> <td><input type="checkbox"/> Implementation Plan e.g., CPI Network</td> <td><input type="checkbox"/> Other (Specify) _____</td> </tr> <tr> <td><input type="checkbox"/> Financial Plan</td> <td><input type="checkbox"/> PIO/T</td> <td>_____</td> </tr> <tr> <td><input type="checkbox"/> Logical Framework</td> <td><input type="checkbox"/> PIO/C</td> <td><input type="checkbox"/> Other (Specify) _____</td> </tr> <tr> <td><input type="checkbox"/> Project Agreement</td> <td><input type="checkbox"/> PIO/P</td> <td>_____</td> </tr> </table>	<input type="checkbox"/> Project Paper	<input type="checkbox"/> Implementation Plan e.g., CPI Network	<input type="checkbox"/> Other (Specify) _____	<input type="checkbox"/> Financial Plan	<input type="checkbox"/> PIO/T	_____	<input type="checkbox"/> Logical Framework	<input type="checkbox"/> PIO/C	<input type="checkbox"/> Other (Specify) _____	<input type="checkbox"/> Project Agreement	<input type="checkbox"/> PIO/P	_____	A. <input checked="" type="checkbox"/> Continue Project Without Change B. <input type="checkbox"/> Change Project Design and/or <input type="checkbox"/> Change Implementation Plan C. <input type="checkbox"/> Discontinue Project
<input type="checkbox"/> Project Paper	<input type="checkbox"/> Implementation Plan e.g., CPI Network	<input type="checkbox"/> Other (Specify) _____											
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<input type="checkbox"/> Logical Framework	<input type="checkbox"/> PIO/C	<input type="checkbox"/> Other (Specify) _____											
<input type="checkbox"/> Project Agreement	<input type="checkbox"/> PIO/P	_____											

11. PROJECT OFFICER AND HOST COUNTRY OR OTHER RANKING PARTICIPANTS AS APPROPRIATE (Names and Titles) Richard Martin, LAC/DR/EST	12. Mission/AID/W Office Director Approval
	Signature: Typed Name: Dwight Johnson Date: AUG 3 1984

11

Project Evaluation Summary
Part II

RURAL COMMUNICATION SERVICES

(13) Summary

The project is designed to evaluate the cost/effectiveness of modern telecommunications technology, particularly low-cost, satellite-based audio teleconferencing, as a development tool in remote, rural areas. Training and administrative services are being delivered experimentally to pilot communities in northeastern Peru in ways that support the improved delivery of services in the areas of rural health care, rural primary education, and agricultural extension.

In spite of implementation delays and complications at every turn the project is now functioning as originally planned and is producing valuable, interesting, and practical experience and data. Seven jungle communities in northeastern Peru have been equipped with audio conference-calling facilities. The seven community conferencing centers are connected with each other and with the rest of Peru and the world via an INTESAT satellite linkage leased by ENTEL-Peru, the Project Grantee. Peruvian staff members have been trained and are on the job. U.S. technical assistance is functioning effectively in the field. An ambitious program of regular administrative and training conferences involving remote staff of health, education, and agriculture ministries is under way. Data gathering for a detailed empirical field evaluation has begun.

On the negative side, persistent equipment problems continue to plague the project, and funds for technical assistance are short.

Personnel shifts in the LAC Bureau have led to a shift in project management responsibilities from LAC to S&T Bureau's "Rural Satellite Program"

(14) Evaluation Methodology

This is a routine annual PES, the last that will be prepared by the LAC Bureau Project Manager, who has managed the project since its inception in 1978. The PES reflects observations based on a recent TDY visit to the project site in Peru, contractor reports, and telephone conversations and correspondence with the Grantee's project staff.

(15) External Factors

The current economic crisis in Peru has made the counterpart budget tight, although the GOP counterpart budget has greatly exceeded planned levels.

Cocaine traffic and drug enforcement efforts in the project area are increasingly complicating field activities and raising security concerns.

(16) Inputs

The greatest remaining problem is the chronically-malfunctioning project-supplied electronic equipment. Because of the unanticipated termination for default of the original project implementation contractor, there is presently no individual or entity in the U.S. with the knowledge and time to deal intensively with the U.S. suppliers to resolve outstanding questions about the project's equipment. Similarly, ENTEL- Peru, which is responsible for the installation, operation, and maintenance of the experimental rural communication network in Peru has a number of different technical departments and individuals involved. Accountability for the proper functioning of the full system, both in the U.S. and in Peru, has become scattered and ineffective.

There are persistent problems with the communication satellite earth station transmitters, which have burned out repeatedly. Neither ENTEL nor the supplier, the Harris Corporation, has been able to explain or solve the transmitter problem. Harris is presently analyzing a burned-out unit, and ENTEL has asked Harris to supply a different kind of transmitter. The earth stations, inexplicably, are being operated using locally-available electricity instead of the expensive dual generators that were supplied. The fact that voltage regulators are not being used with the local electricity has been suggested as a possible explanation for the repeated transmitter failures.

The generators are now apparently fully-equipped and ready-to-use, although the generator supplier has been unresponsive to ENTEL's efforts to purchase spare parts. A small amount of test equipment that was ordered has not yet been delivered and is overdue. The teleconferencing bridge and switching equipment is working, but quality is poor at some sites. Some outside technical assistance may be required.

The radiotelephones, buildings, and local staff provided by ENTEL have generally been good.

In general, most of the problems are the sorts of difficulties that would be expected with the initiation of an ambitious and experimental program, especially one involving a lot of untried technology procured by means of a participatory, non-turnkey, process. However progress toward solutions of the technical problems has been slow, due largely to the lack of a single responsible implementing agent.

Technical assistance from the Academy for Educational Development has been first rate. The Academy's field representative has been very effective in organizing field applications and in training local staff. It is unfortunate that the project budget is insufficient to extend the field advisor's presence in Peru. A.E.D. has been very slow in planning for replacement of the field advisor by a local-hire contract person.

The Florida State University evaluation contract appears to be moving well. FSU has been flexible, patient, and resourceful in its approach to evaluating the project.

(17) Outputs

Quantitative outputs are being achieved, although the project is behind schedule. The experimental network is functioning in all planned communities. An impressive inaugural conference call was successfully accomplished, with the Vice President of Peru, the U.S. Ambassador, and the AID project representative at a project site in rural Peru; the AID Mission Director and GOP Officials in the Presidential Palace in Lima; and the AID Administrator in Washington. An ambitious multi-sectoral program of training and administrative services using the experimental conferencing network is now under way, in spite of equipment difficulties. A well-conceived, sophisticated, yet practical evaluation program is effectively tracking the evolving patterns of utilization and the economic impact of the experimental system.

(18) Purpose

The purpose of the project is to test and demonstrate the potential of communication technology, including satellites, for extending and improving agriculture, health and education services to rural communities.

The project appears to be providing a convincing and realistic test of the utility of an important, emerging communication technology. Both traditional applications (long-distance telephone service) and innovative applications (structured conference calling for development practitioners) are being tried and evaluated under rigorous, real-life conditions.

(19) Goal/Subgoal

The goal is "to improve the quality of life in rural and poor communities in the LAC Region." The subgoal is "to improve the outreach and impact of developmental activities in rural areas."

The project is generating valuable information, experience, data, and insights to guide the future development of appropriate telecommunication services and technology in the LAC Region and world-wide. Clearly the project will contribute to goal achievement, although the specific nature of the contribution is yet to be seen.

(20) Beneficiaries

Development workers in rural communities -- teachers, health workers, agricultural extension agents -- are presently the primary beneficiaries. Private sector users will be incorporated into the utilization program during 1984. The official telecommunication policymaking bodies of the LAC countries, the international donor agencies, and U.S. telecommunications equipment suppliers are secondary beneficiaries of the findings of the evaluation program.

(21) Unplanned Effects

None

(22) Lessons Learned

A number of lessons have been learned. The practical lessons of the project are its most important output. One key lesson is that accountability for complex equipment procurements should be clearly established in advance and maintained throughout a project.

Another lesson is that projects with demanding implementation requirements should not be casually awarded to 8(a) small business contractors simply to help meet Agency quotas. In this case, the 8(a) contractor identified by the project manager for project implementation developed a debilitating cashflow problem resulting in termination of the critical subcontract for the evaluation program, and was terminated by A.I.D. for default in mid-project. This resulted in litigation that has stretched out over two years without resolution; disarray in the procurement of commodities and in project staffing; loss of the evaluation subcontractor; major delays in project activity; embarrassment on the part of A.I.D. with the Government of Peru; financial loss to the project; and a heavy paperwork burden required to procure the services of new, more responsible, contractors.

The closing costs that AID will eventually have to pay to the defaulted contractor when litigation is settled will be taken from project funds. This is not really fair. The entire project is a grant to the Government of Peru. It is poor form to hold back Peru's grant funds to pay closing costs to an incompetent U.S. contractor that was selected and subsequently terminated by A.I.D. A.I.D. should have a separate contingency fund of some kind to cover this kind of unexpected, but sometimes necessary, expense.

(23) Special Comments or Remarks

Because of the transfer overseas of the only LAC Bureau telecommunication specialist, the LAC Bureau, the S&T Bureau, and USAID/Lima have agreed to the transfer of project management responsibility to the ST/ED "Rural Satellite Program."