

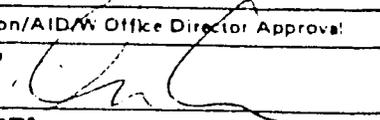
UNCLASSIFIED
CLASSIFICATION
PROJECT EVALUATION SUMMARY (PES) - PART I

Report Symbol U-467

1. PROJECT TITLE CLUSA OPG: Technical Assistance to the NDDB's Oilseed Growers' Cooperative Project (Grant AID-386-2144)			2. PROJECT NUMBER 498-0251	3. MISSION/AID/W OFFICE USAID/India				
4. KEY PROJECT IMPLEMENTATION DATES			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) <u>85-3</u>					
<table border="0"> <tr> <td>A. Firm PRO-AG or Equivalent FY <u>79</u></td> <td>B. Final Obligation Expected FY <u>85</u></td> <td>C. Final Input Delivery FY <u>85</u></td> </tr> </table>			A. Firm PRO-AG or Equivalent FY <u>79</u>	B. Final Obligation Expected FY <u>85</u>	C. Final Input Delivery FY <u>85</u>	<input type="checkbox"/> REGULAR EVALUATION <input checked="" type="checkbox"/> SPECIAL EVALUATION		
A. Firm PRO-AG or Equivalent FY <u>79</u>	B. Final Obligation Expected FY <u>85</u>	C. Final Input Delivery FY <u>85</u>						
B. ESTIMATED PROJECT FUNDING			7. PERIOD COVERED BY EVALUATION					
<table border="0"> <tr> <td>A. Total</td> <td>\$ <u>414,400</u></td> </tr> <tr> <td>B. U.S.</td> <td>\$ <u>374,800</u></td> </tr> </table>			A. Total	\$ <u>414,400</u>	B. U.S.	\$ <u>374,800</u>	From (month/yr.) <u>Aug. 17, 1979</u> To (month/yr.) <u>Oct. 31, 1984</u> Date of Evaluation Review <u>October, 1984</u>	
A. Total	\$ <u>414,400</u>							
B. U.S.	\$ <u>374,800</u>							

B. 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., telegram, SPAR, PIO, which will present detailed request.)	B. NAME OF OFFICER RESPONSIBLE FOR ACTION	C. DATE ACTION TO BE COMPLETED
<p>The Final Project Evaluation recommends the following action:</p> <ol style="list-style-type: none"> Consultant services of the kind provided under the Grant will be needed for the new oilseed processing plants yet to be commissioned. Consultants are needed with experience on operations and management with a view to assist in planning, erection and operation of the plants over the next 2-3 years. Consultancies should be for short periods of 3-6 weeks at a time but repeated after appropriate intervals by the same consultants to provide a continuity of services over 2-3 years period. Nomination for the training in the U.S. of 5 NDDB key persons. <p>Action on recommendation (3) is already in progress and trainees have been cleared by the G.O.I.</p> <p>USAID considers that there is an urgent need for follow-up technical assistance as recommended in paras 1 & 2 above.</p>	<p>Harry H. Houck Chief-FFD</p>	<p>Fourth Quarter of 1985</p>

<p>9. INVENTORY OF DOCUMENTS TO BE REVISED PER ABOVE DECISIONS</p> <table border="0"> <tr> <td><input type="checkbox"/> Project Paper</td> <td><input type="checkbox"/> Implementation Plan e.g., CPI Network</td> <td><input type="checkbox"/> NONE</td> </tr> <tr> <td><input type="checkbox"/> Financial Plan</td> <td><input type="checkbox"/> PIO/T</td> <td><input type="checkbox"/> Other (Specify) _____</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"/> NONE	<input type="checkbox"/> Financial Plan	<input type="checkbox"/> PIO/T	<input type="checkbox"/> Other (Specify) _____	<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		<p>10. ALTERNATIVE DECISIONS ON FUTURE OF PROJECT</p> <table border="0"> <tr> <td>A.</td> <td><input type="checkbox"/> Continue Project Without Change</td> </tr> <tr> <td>B.</td> <td><input checked="" type="checkbox"/> Change Project Design and/or</td> </tr> <tr> <td></td> <td><input type="checkbox"/> Change Implementation Plan.</td> </tr> <tr> <td>C.</td> <td><input type="checkbox"/> Discontinue Project</td> </tr> </table>	A.	<input type="checkbox"/> Continue Project Without Change	B.	<input checked="" type="checkbox"/> Change Project Design and/or		<input type="checkbox"/> Change Implementation Plan.	C.	<input type="checkbox"/> Discontinue Project
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C.	<input type="checkbox"/> Discontinue Project																				
<p>11. PROJECT OFFICER AND HOST COUNTRY OR OTHER RANKING PARTICIPANTS AS APPROPRIATE (Names and Titles)</p> <p>Harry H. Houck, Project Officer</p> <p>Peter Thormann, Mission Evaluation Officer</p>	<p>12. Mission/AID/W Office Director Approval:</p> <p>Signature: </p> <p>Typed Name: Owen Cylke, Director</p> <p>Date: August 14, 1985</p>																				

**CLUSA OPG: Technical Assistance to the NDDB's
Oilseed Growers' Cooperative Project
(Grant No. AID-386-2144)**

Project Evaluation Summary (PES) - Part I

13. SUMMARY:

The OPG provided for study tours to the U.S.A. for top level NDDB and Federation officers, as well as in-service training for key officials of the NDDB. Four expatriate short-term consultants and 15 person months of long-term consultants were also provided for in the OPG.

14. EVALUATION METHODOLOGY:

The evaluation team comprised of one member each from CLUSA, USAID/Delhi, and FVA Bureau AID/W. The team had briefings with USAID staff and interviewed NDDB officials and staff at Anand who had worked with U.S. consultants and the study visits of key NDDB persons to the U.S. The team members also visited the Bhavnagar Vegetable Products processing unit, and held discussions with its senior staff.

15. EXTERNAL FACTORS:

NDDB's Oilseed Growers' Cooperative Project was established under the Memorandum of Agreement between the NDDB and CLUSA. It is financed by rupee currency generated from commercial sales in India of soybean oil provided under the PL 480 Title II program. Its purpose is to integrate production, processing and marketing of oils within a cooperative organisation owned by growers themselves.

16. INPUTS:

The Grant was designed to support NDDB's Oilseed Growers' Cooperative program. Implementation was slower than planned because of problems in the development of the OGCP, and secondly, difficulty in obtaining the Government of India's clearances on time. The Grant was amended seven times.

17. OUTPUTS:

Measure of achievements against projected targets is indicated on page 7 of the Evaluation Report. Pages 8-20 give detailed assessment in respect to each activity.

18. PURPOSE:

The specific objectives of the Grant was to ensure a successful and rapid establishment of the OGCP by taking advantage of advanced

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U.S. experience and technology. For details please see PP 2-4 of the Evaluation Report.

19. **GOAL/SUBGOAL:**

This was to be a 3-year grant from August 17, 1979 to August 16, 1982, but had to be amended seven times up to September 30, 1985 over a period of six years and one-and-a-half months to complete the outstanding in-service training activities for the key federation personnel. Uncertainties over future support to the project slowed expansion activities and the audit report was considered hostile by NDDB/OVOW. Delay in getting the Government of India's clearances for the key personnel and also for the technical consultants added to the slow pace in actual achievements. For details, see pages 6-7 of the Final Evaluation Report.

20. **BENEFICIARIES:**

As against five officers targeted for in-service training under the OPG, twelve officers have obtained or will be obtaining training. Three officers benefitted under familiarization to U.S.A.; five consultants had come to India to impart on-the-job training to key persons. For details, see pages 7-19 of the Final Evaluation Report.

21. **UNPLANNED EFFECTS:**

The operations research consultants may have arrived prematurely and the limited service of OVOW personnel at the time of the OR consultancies precluded their skills being put to best use. The interviews with the counterparts at Anand suggested that, if a preliminary operational research had been carried out by NDDB/OVOW staff, the operational research study would have been useful in preparing them to make better use of the expatriate consultants. The only advantage of this unplanned effect was that the consultants did identify the issues that had to be resolved regarding plant size, technology, location, and indicated promising options with respect to new projects such as:

- (a) defatted groundnut and virgin oil feasibility;
- (b) margarine/margarine butter/spread production feasibility.

It would have been useful for the OR consultants to have returned for follow-up visits. For details, please see pages 8-12 of the Final Evaluation Report.

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22. **LESSONS LEARNED:**

There is need for consultant services under the Grant and also for advance training in the U.S. for the key NDDB/Federation personnel. This will benefit the Oilseed Growers' Cooperative Project and help in transfer of advanced U.S. technology. The fielding of the Senior Advisor at this time may be most appropriate to make any changes in the project design or the implementation of the OGCP. Also see page 2 of Executive Summary of the Final Evaluation Report.

23. **SPECIAL COMMENTS/REMARKS:**

The Oilseed Growers' Cooperative Project has now entered into the very important stage of planning and construction of processing units. There is, as a result, a very strong need to have follow-up technical assistance to the OGCP for 3-5 years to encourage efficient management of these units from the outset.

Attachments: A - Evaluation Cost Data
B - Report on Final Evaluation of the CLUSA/USAID
Technical Assistance to the NDDB's Oilseed
Growers' Cooperative Project (OPG No. AID-386-2144)

W

EVALUATION COST DATA

1. No. and Title of Project/Activity: CLUSA OPG: Technical Assistance to NDDB's
Oilseed Growers' Cooperative Project
(Grant No. AID-386-2144)
2. Purpose of Evaluation: Final Evaluation
3. Mission Staff Person Days Involved in Evaluation (estimated):

- Professional Staff 15 Person Days
- Support Staff 3 Person Days

4. AID/W Direct-Hire or IPA TDY support funded by Mission:

<u>Name</u>	<u>Period of TDY (Person-Days)</u>	<u>Dollar Cost (Travel, Per Diem etc.)</u>	<u>* Source of Funds</u>
a. Ms. Christine Adamczyk	30 days	\$ 3,071.67	Mission Funded
b.			
c.			
d.			

5. Contractor Support, if any:

<u>Name of Contractor[@]</u>	<u>Contract No.</u>	<u>Amount of Contract</u>	<u>* Source of Funds</u>
Russel Olson	Nil Dated Sept. 19, 1984	\$ 10,249 *	OPG 386-2144

* Breakdown as per CLUSA/India

1. Consultancy Fee	= \$ 5,812.50
2. Per Diem	= \$ 2,594.25
3. Travel	= \$ 1,636.00
4. Miscellaneous	= \$ 206.25
Grand Total	<u>\$ 10,249.00</u>

* Whether PDS, Mission O.E., Project Budget or Central/Regional Bureau funds.
@ IQC, RSSA, PASA, PSC's, Institutional Contract, Cooperative Agreement, etc.



REPORT ON
FINAL EVALUATION
OF THE
CLUSA/USAID TECHNICAL ASSISTANCE TO THE NDDB's
OILSEED GROWERS' COOPERATIVE PROJECT
(OPG No. AID-386-2144)

BY

Russell O. Olson
Christine Adamczyk
S.C. Mehta

October, 1984

ACKNOWLEDGEMENTS

The Evaluation Team is indebted to many individuals who were helpful in providing information needed for this review. The Team spent one week in Anand for discussions with officials of the National Dairy Development Board and the staff of its Oilseeds and Vegetable Oils Wing. Everyone was very helpful in providing information and in making our stay in Anand a very pleasant as well as productive experience.

In Delhi we had excellent support from USAID and CLUSA officials. We want to mention in particular the diligent assistance from Mrs. P. Vigie of the CLUSA staff in providing documentation and typing our draft report.

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EXECUTIVE SUMMARY

Problems and Overview

The supply of edible oils is a major nutritional problem in India. There is a chronic shortfall in production, and traditional market practices result in artificially high prices and scarcities even in times of relatively high production. At the request of the Government of India, the National Dairy Development Board (NDDDB) sponsored the Oilseed Grower's Cooperative Project (OGCP). Its purpose was to integrate production, processing and marketing of oils within a cooperative organization owned by the growers themselves. The project was established under a Memorandum of Agreement between the NDDDB and the Cooperative League of The USA (CLUSA). It was financed by rupee currency generated from commercial sales in India of soybean oil provided under the U.S. Food for Development (P.L.480 - Title II) program.

U.S. Assistance

Operational Program Grant (Grant No. AID - 386 - 2144) in the amount of \$374,800 funds CLUSA's technical assistance to NDDDB's Oilseed Grower's Cooperative Project by taking advantage of the experience and technology of the U.S. cooperatives.

The Grant provides for observation/study tours in the United States by top level officers of the NDDDB and the State Oilseed Grower's Federations, in-service training for key officials of the NDDDB, four ex-patriate short term consultants and 15 person months of long term consultant services.

Purpose of Evaluation

The purpose of this, the final, evaluation of the grant is to assess achievements against objectives and planned activities and their impact on the Oilseed Grower's Cooperative Project and to make recommendations regarding possible follow-on technical assistance programs for the OGCP.

Findings

The Grant was appropriately designed to support NDDDB's Oilseed Grower's Cooperative Program. Implementation, while at a slower pace than planned, has been effective. This was to be a three year grant, to terminate in August,

1982. However, through a series of amendments it was extended to cover a period of 5 years and 4 months, ending on December 31, 1984. The need for extension was dictated by problems in development of the Oilseed Grower's Cooperative Project. The initial low level of activity in the OGCP made it appropriate to delay some components of the Grant.

One problem in implementation has been difficulty in obtaining Government of India clearances on time. This has resulted in problems in filling consultant positions and in planning training programs in the most effective way.

Recommendations

1. Consultant services of the kind provided under the Grant will be needed for the many new oilseed processing plants yet to be commissioned. Consultants are needed who have operation/management experience to assist in planning, erection and operation of these plants over the next 2-3 years. USAID, CLUSA and NDDDB should consider a follow-on Grant or other mechanism for providing such services for an additional 2-3 year period.

2. In providing consultant services under a new grant it is recommended that each consultancy be for short periods of 3 to 6 weeks at a time but repeated, after appropriate intervals, by the same consultant to provide a continuity of services over a 2 to 3 year period.

3. Nominations for training in the United States for five NDDDB key persons were submitted to the Ministry of Agriculture for clearance in October. If approved soon the group could depart before the end of 1984 but probably not complete the proposed training before the termination of the Grant. CLUSA should plan individual programs for each candidate and make provision for completion of their programs beyond the termination date of the Grant if necessary to meet training objectives. In case the nominees are not able to initiate their training before December 31, 1984, it is recommended that the Grant be extended so that this training can be accommodated. The nominees are key NDDDB personnel and the proposed training can have an important impact on the success of the OGCP. An extension should be long enough to permit CLUSA to plan effective individual programs. For some of the candidates it would be appropriate to extend the training program into the soybean growing season.

L INTRODUCTION

A. Background

The major Indian problem at the moment from a nutritional standpoint involves the supply of edible oils. There exists not only a chronic shortfall in production but market practices which result in artificially high prices and scarcities even in relatively high production times.

The bulk of the country's vegetable oil production is derived from five major oilseeds. Groundnuts are by far the most important of these oilseeds and some 1.4 to 1.6 million tons of groundnut oil are produced annually. The area cultivated under groundnuts has increased slowly and steadily over the last decade while yields have shown an increasing trend, but with sharp year to year fluctuations. The price fluctuation of the oils is due not only to a widening supply-demand gap, but also to management of edible oils supply in the country.

Oilseeds are the most representative crop of dry and semi-dry regions of the country where farmers are poor and do not have the benefit of irrigation. About ninety percent of the nation's groundnuts are produced under rainfed conditions. Poor and/or late monsoon rains cause widespread failure of the crop.

Hardly more than a decade ago India was almost selfsufficient in the production of edible oils. Recently vegetable oil imports have surpassed 1 million tons a year, resulting in a substantial foreign exchange loss to the Indian economy. Vegetable oils, after foodgrains, represent the most important source of calories in the national diet. When edible oil prices began to fluctuate wildly, due to government market interventions and speculative buying, the negative implications touched everyone from producer to consumer. The above mentioned problems required a major restructuring of

of the oilseeds and vegetable oils industry. It was this conclusion which led to the inception of the NDDB-sponsored Oilseed Growers' Cooperative Project (OGCP) at the request of the Government of India. The project was established under a Memorandum of Agreement between NDDB and the Cooperative League of the United States of America (CLUSA). The project is financed by rupee currency generated from commercial sales in India of soybean oil provided under the U.S. Food for Development (PL 480 - Title II) program. Its mandate was to undertake the task of integrating production, processing and marketing of oils within a cooperative system owned by the growers themselves. The "Anand Pattern" of cooperative structure, which had proven successful in the "Operation Flood" dairy development, and which was also undertaken by NDDB, was the model.

B. The NDDB Operational Program Grant

1) Purpose

An Operational Program Grant (OPG) (Grant No. AID-386-2144) in the amount of \$374,800 funds CLUSA's Technical Assistance to the NDDB's Oilseed Growers' Cooperative Project (OGCP).

The specific objective of the OPG is to provide initial technical support to NDDB to help ensure a successful and rapid establishment of the Oilseed Growers' Cooperative Project by taking advantage of the experience and technology of the well advanced U.S. cooperatives.

2) Activities

To achieve the above objective CLUSA was required to carry out the following activities with funds provided by this Grant.

- a) Authorize the Resident Representative of CLUSA to act as overall coordinator of the grant activities, including orientation and supervision of U.S. consultants.
- b) . Arrange and provide for an observation and in-service study tour to the U.S. by a team of top level NDDB/OVOW and/or other officials of State Oilseed Growers' Federations or other organizations formed in connection with the NDDB Oilseed Growers' Cooperative Project. The six week tour would allow them to become familiar with U.S. cooperative operations and practices, finalize requirements and qualifications for consultants, and to discuss the program with CLUSA's Advisory Committee members.
- c) Arrange to provide four expatriate consultants with cooperative background in areas of marketing, general management and economics, technology and oilseed production to participate in an Operations Research Study. CLUSA will ensure that NDDB will be responsible for the continuing management of this study as well as for the periodic submission of the results of such studies.
- d) Provide in-service training to five key officials of NDDB/OVOW with suitable background (e.g. Marketing, Engineering) in pertinent U.S. cooperatives for an average duration of 2 months.
- e) Provide at least 15 person-months of short-term expatriate consultation or study on special subjects, such as agronomic research, oilseed storage, processing grading, handling and product development.

- f) Arrange for CLUSA's Standing Advisory Committee on Oilseeds to participate by consulting on the Operations Research Study, team visit, consultant selection, in-service training, project evaluation and planning.
- g) Provide necessary communication equipment and supplies from U.S. to support project activities.

C. Evaluation - Purpose and Methodology

The OPG agreement requires that CLUSA undertake jointly with NDDB and AID an interim evaluation at the end of 18 months and a final evaluation near the end of the grant period. The interim evaluation was due early in 1981. In March, 1981, a team was engaged to make an assessment of the Oilseed Growers' Cooperative Project to determine if the project design and implementation arrangements were adequate to ensure achievement of OGCP objectives. CLUSA assigned the leader of that team the additional task of conducting the interim evaluation of the OPG. A separate report was not issued.

The purpose of this, the final, evaluation is to assess achievements against objectives and activities set out in the OPG agreement, to assess the impact of the program on the OGCP and to make recommendations relative to possible follow-on technical assistance programs for the OGCP. A detailed scope of work is included in Appendix I.

The evaluation team, consisting of one member each provided by CLUSA, USAID/Delhi and FVA Bureau, AID/W, met in New Delhi on October 3rd for a briefing with USAID staff and the CLUSA Representative. The remainder of the week was used in reviewing documents provided by USAID and CLUSA relating to the grant and in discussions with CLUSA and USAID staff. The team went to Anand on October 7th for discussions throughout the

week with NDDDB officials and staff concerned with the program. Interviews were held with persons who had worked as counterparts to the CLUSA consultants, with individuals who had gone to the United States under the in-service training activity, officers who went on the familiarization study tour, the Chairman of NDDDB, the Executive Director of OVOW and other OVOW staff. Two members of the team visited the Gujarat Oilseed Growers' Cooperative Federation processing plant at Bhavnagar and held discussions with its senior staff. A list of persons contacted is provided in Appendix II.

The team returned to Delhi on October 14th and spent the following week preparing the draft report. It was presented to USAID on October 19th for comments, which were considered in the final draft.

II. FINDINGS

A. Overview

The OPG was appropriately designed to provide technical support to the NDDB OGCP. Implementation, while at a slower pace than planned, has been quite effective. This was to be a three-year grant, terminating in August, 1982, but it has been extended through a series of amendments to cover a period of 5 years and 4 months. Stretching out the implementation period has been dictated by problems in development of the OGCP. The establishment of state federations was much slower than expected. Uncertainties about future support growing out of misunderstandings over certain provisions of project agreements and an audit report which NDDB considered unusually hostile caused NDDB/OVOW to minimize organizational expansion and infrastructure investments until these issues could be resolved. The low level of activity in the OGCP, meanwhile, made it appropriate to delay implementation of some of the components of the OPG and, as a result, most activities have progressed in the sequence and timing consistent with OGCP's ability to use them effectively.

A principal problem in implementation has been difficulty in obtaining GOI clearances on time. Delays in obtaining clearances resulted in some of the consultants nominated being no longer available. Delays in submission and clearance of candidates for inservice training left little time before the scheduled termination date for design of training programs as well tailored to individual needs as desirable. Consequently, the training program was not as effective as it could have been.

A second group of candidates has been nominated for in-service training in the United States. If that group is approved and sent for training this fall, all but about \$3,000-\$5,000 of the funds provided by the Grant will have been utilized and the level of inputs for each of the agreed activities will be essentially as specified in the agreement.

The following table shows the present status of each of the planned activities. Funds budgeted for the Grant and disbursements to the end of October are shown in Appendix III.

Table 1: Planned and Actual Inputs by Activity

<u>Activity</u>	<u>Planned Input</u>	<u>Actual Input</u>	<u>Date Completed</u>
1. Operations Research Study	4 Consultants 12 Person-Months	5 Consultants 7½ Person-Months	March 1980
2. Familiarization Tour	3 Officials 6 weeks	3 Officials 6 weeks	July 1981
3. Short-term Consultants	15+ Person-Months (converted to one longer term)	15 Person-Months	May 1983
4. In-Service Training	5 Key Officers 2 months each	(a) 6 Officers - 6 weeks each; (b) 1 Officer - 2 months; (c) 5 Officers for 8 person-months	March 1984 March 1984 Nominated, Awaiting Clearance
5. Standing Advisory Committee	10 Member Committee to consult on project planning, consultant selection, training program, evaluations, etc.	10 member committee participated in consultant selection and training program	Continuing
6. Commodities	\$6,300	\$675.13 ¹	

¹ Under the Grant Agreement CLUSA was to supply various imported audio-visual and communications equipment and supplies. A major item was a copy machine. It was found that suitable equipment of this type was available within India and NDDDB decided to buy these major items with their own rupee funds.

The following sections give a more detailed assessment with respect to each of the planned activities.

B. Operations Research Study

1) Achievements

While the NDDDB had begun to organize the Operations Research activities at least a year before the arrival of the OR consultants at the end of year 1979, the OR consultants may have arrived prematurely. Preliminary data on the oilseed industry had been collected by the NDDDB/OVOW staff, including information on OGCP processing plants in Gujarat, production, marketing, prices, etc., which provided useful background to the consultants. The evaluation team held interviews with the counterparts of each of the OR consultants. Some of them had joined the organization only shortly before the arrival of the OR consultants and they, especially, felt OVOW was not ready to make the best use of the short-term consultants. They suggested that an attempt by the NDDDB/OVOW staff to carry out a preliminary OR study would have been useful in preparing them to make better use of the expatriate consultants.

Whatever the expectations, the OR study did not provide anything approaching a blue print but did identify issues that had to be resolved as to plant size, technology and location and indicated promising options with respect to new products such as: a) defatted groundnut and virgin oil production feasibility; and b) margarine/margarine-butter/spread production feasibility.

It would have been useful if the OR consultants could have returned for follow up visits. The final study report integrating the inputs from the various studies was compiled after most of the consultants had left. However, the OVOW

counterparts did participate in the integration exercise to the extent possible. The presence of Mr. Carl Petersen's consultancy for the following year proved especially fortunate as he provided a continuing service in planning, design, construction, and operations of Gujarat processing plants.

An on-going program of operations research is not proceeding as originally envisioned. However, a number of studies, including the following, have been commissioned to address program needs as they arise: Establishment of District Farms; Creating Agronomic Centers; Seed Processing Plants; Soil Testing; Commodity Pricing; and Packaging Practices. These have been done by OVOW staff. Another study, to develop an improved computerized Management Information System, is being carried out by the Institute for Rural Management, Anand (IRMA) under a contract with NDDB.

2) Problems/Constraints

- a) The major constraint faced by CLUSA/NDDB has been obtaining Government of India clearances on a timely basis. Consultancies on Financial Planning and Management could not take place because the Government of India did not clear these consultants on time.
- b) Consultancies on specialized products could not materialize because of the non-availability of the consultants during the last quarter of the Grant period. Thus, timings for availability of consultants and delays in clearances from the Government of India have been major constraints.

3) Recommendations

It is recommended that CLUSA/NDDB discuss with the controlling Ministry of Agriculture the problems created by delays in clearances on availability and timings of consultants and try to develop a mutually acceptable way to shorten the process for obtaining clearances.

C. Familiarization/Study Tour

1) Achievements

The Grant Agreement requires that CLUSA will "arrange and provide for an observation and in-service study tour to the U.S. by a team of top level officials of NDDB/OVOW and/or officials of State Oilseed Grower's Cooperative Federations or other organizations formed in connection with the NDDB Oilseed Growers' Cooperative Project". The tour was to be for approximately 6 weeks. The stated purpose was for the tour group to: become familiar with U.S. cooperative operations and practices; finalize the requirements and qualifications for consultants; and to discuss the program with CLUSA Advisory Committee members.

A group consisting of two senior staff members of NDDB/OVOW and the plant manager of the Gujarat Cooperative Oilseed Growers' Federation participated in the program organized by CLUSA from May 18 to July 3, 1981. The tour included site visits to cooperative and private oilseed processing facilities in the U.S. and Canada, conferences with U.S. cooperative leaders and discussions with oilseed processing equipment manufacturers in the U.S., U.K., and Sweden. The group was joined for a part of the tour by the Chairman of the Gujarat Cooperative Oilseed Growers' Federation, who was sponsored by NDDB.

The Operations Research Study had identified a number of issues regarding processing technology, plant size and product development. It was expected that the familiarization tour would be helpful in resolving these issues and in identifying requirements for consultants and training programs. If it was expected that upon their return these officials would be ready to write specifications and place orders for new plants and equipment, one would be disappointed. The tour program was not designed for that (and probably should not have been); that would have required greater involvement over a longer period at fewer plant sites and more intensive discussions with a few equipment manufacturers.

The program was designed to broaden the knowledge of key officials about the oilseed industry, the technology in use, plant size and organization and to acquaint them with options as to processing technology, equipment, plant size, product handling and storage and alternative products. In discussions with officials who participated in the tour all felt it had benefited them personally in broadening their understanding of the industry and that it was useful to OGCP in helping them to resolve many of the issues relating to oilseeds processing.

A decision regarding use of the resources available for the consultants activity of the OPG had already been reached before the team departed for the U.S., that the highest priority was for a consultant with broad knowledge and experience in oilseed plant planning, construction and operation. NDDB had requested that the short-term consultant positions be converted to one longer-term position, which was later filled by Carl Petersen.

Upon their return the group prepared a report with observations on the various elements of the tour and with useful recommendations.

2) Problems in Implementation

The major problem with this activity was the long delay in implementation. It had been intended that this activity and the Operations Research Study would be carried out very early in the Grant period so these two activities could help determine how the resources provided for in-service training and consultant services should be used. Delay in implementing the OR Study and the familiarization tours therefore made it impossible for CLUSA to plan training programs or consultant services earlier.

The reasons for the long delay in getting the familiarization tour implemented are clear. The key persons who were to go on the tour were deeply involved in finalizing the operations research study, which NDDDB considered very high priority. Following that, serious misunderstandings with AID over the use of the special accounts and an audit which required much time of key officials, and which created considerable uncertainty about future support for the project, contributed further to the delay.

The delay, however, did not adversely affect the OGCP. Other factors have held the pace of development in most of the Federations at a lower than expected level. By stretching out the Grant period from 3 years to over 5 years it has been possible to provide the agreed inputs in the appropriate sequence and consistent with the timing requirements of the OGCP.

D. Short-Term Consultants

1) Achievements

In addition to the four consultant positions for participation in the Operations Research Study, the Grant provided that "at least 15 person-months expatriate consultation or study tours on special subjects" would be arranged by CLUSA. The allocation between study tours and consultations, and among specialties, was to be determined on the basis of needs identified by the Operations Research Study and the high level familiarization tour.

Delays in completion of the Operations Research Study and the familiarization tour caused delay in determining how the funds provided for this activity would be used. But by June, 1981, NDDB/OVOW decided that the most urgent need was for a consultant with broad experience in planning, development and operation of oilseeds processing plants and identified Carl Petersen for this assignment. Mr. Petersen was at that time working as advisor to NCDC under CLUSA's NCDC OPG and had, in that capacity, already provided some assistance to NDDB.

NDDB initially requested Mr. Petersen's services for a nine-month period, substituting for several short-term consultant positions. This was later extended to 15 months, using all of the person-months proposed for this activity. This proved to be an especially effective way to use the consultant time provided by the Grant. The consultant came to the project with a strong background in oilseed processing in the United States and with considerable experience in India with indigenous processing facilities and equipment. The timing of his tour was also opportune. NDDB/OVOW and the Gujarat Federation were facing critical problems in design, development and operation of processing

plants. The Gujarat Federation was involved in major renovations of the old plants at Bhavnagar and Jamnagar. Mr. Petersen is credited with significant contributions to planning, construction and operation of those plants. He also assisted in plant layout and selection of equipment for three new plants in Gujarat and assisted in identifying equipment needs for a soybean plant in Madhya Pradesh and groundnut/rapeseed equipment for plants in Orissa and Tamil Nadu. His End of Tour Report is a document that should be very useful to NDDDB and all the Federations in planning and operating the new processing plants.

2) Problems in Implementation

The delay in identification of the specialities for consultant services did not affect the project adversely. On the contrary, it resulted in identification of perhaps the most important requirement and the assignment of an outstanding consultant at the most opportune time. There were, however, administrative problems as a result of this arrangement which were difficult to resolve and an embarrassment to CLUSA and USAID. NDDDB's initial request was for a nine-month assignment. Mr. Petersen was unwilling to return for less than a year in order that his family could accompany him. CLUSA attempted to resolve this problem by arranging for 3 additional months with NCDC. A misunderstanding developed over NCDC's commitment to this arrangement. Only after Mr. Petersen's arrival was it learned that NCDC could not support the other three months, although Mr. Petersen did in fact devote about 3 months of his time to NCDC activities. Meanwhile, NDDDB requested that the tour be extended by an additional 9 months, for a total tour of 18 months, ending on May 6, 1983. This request was approved by USAID but rejected by the Ministry of Agriculture. For some time this created considerable uncertainty in planning the remainder of his tour but ultimately the Ministry of

Agriculture reconsidered and extended his tour, but only to March 31, 1983, more than a month before the termination of his contract. An issue remains as to how some of the costs for this tour are to be divided between the NDDDB OPG and the NCDC OPG.

The conversion of the short-term consultancies into a long-term assistance position, while inconsistent with the OPG and with the CLUSA-NDDDB Agreement, has served the project objectives well.

3) Recommendations

The kinds of consultant services provided will be needed for many new plants yet to be commissioned. These include some plants now under construction, several old plants requiring renovation, and at least four 200 TPD expeller plants now being planned. Consultants are needed who have operations/management experience to assist with planning, erection and operation of these plants over the next 2-3 years. It would not be necessary for these consultants to remain in-country full time. A series of short assignments of 2-3 weeks, spaced at intervals of 4-6 months, would probably suffice. It is important, however, that the same consultant carry out each segment of a series to provide continuity.

It is recommended that a follow-on OPG or other appropriate arrangement be developed to provide up to 36 person-months of consultant services over the next two years.

E. In-Service Training

1) Achievements

This component of the Grant was envisioned as contributing to the skill development of processing plant management and supervisory personnel by providing them with the opportunity to undergo structured, on-the-job training in cooperative processing plants in the United States that have comparable facilities and equipment.

Due to various implementation problems and uncertainty of Grant extension, the first seven persons did not begin in-service training until early 1984, much later than was originally planned.

The six participants who toured the U.S. oilseed processing plants all had engineering backgrounds, though very heterogeneous experience, and some had limited exposure to oilseed processing. The visit was coordinated by Carl Petersen.

During the time period available between Government approval and team departure it was not feasible to design an individually tailored program for each participant. The overall similarity of the groundnut, soybean, cottonseed and rapeseed processing was determined to be sufficient reason to involve all team members at all plants where training was conducted.

The 6 week program included visits to cooperatives as well as private oilseed processors and ancillary facilities related to processing, margarine manufacturing, hydrogen generation, co-generation of electric power and defatting of peanuts.

The consensus is that a six person team is too large to be accommodated effectively in such a program. Nevertheless, the participants produced a useful report to be shared with colleagues and indicated a great deal was learned from their visit. The report goes into considerable detail on the observations at each of the major sites visited and their relevance to the Indian situation.

A seventh person had an in-service training program designed specifically for him to observe the studies being conducted on mycotoxins in oilseeds. The participant spent seven weeks in direct consultation with leading experts in the toxin field. The training related directly to his work at NDDB's Applied Research and Development Center where aflatoxin research is a major concern.

2) Problems

One problem associated with both the study tours and familiarization visits focused on per diems. Several participants voiced concern that per diem levels were fixed at levels less than actual costs for room and board. Upon review USAID determined that travel could not be reimbursed on an actual cost basis.

3) Recommendations

OVOW nominations for five additional persons has been forwarded to the Ministry of Agriculture in Delhi for clearance. In the past obtaining such clearances has caused lengthy delays and made setting a firm itinerary difficult.

If approval is forthcoming, the group could depart before the end of 1984 and the termination of the OPG. Completion of the study after the closing date of the grant should not pose a problem.

A tailored training program is proposed for this heterogeneous group:

<u>Persons</u>	<u>Training Program</u>	<u>Duration</u>
1	Oilseed processing, including margarine and peanut butter technology	2 man-months
1	Seed production technology	1 mon-month
2	Crop forecasting and related projecting and impact on the edible oil industry	1 man-month each
1	Agronomist with emphasis on soybean production	1 man-month

There is some concern about the seasonal timing of the study tours. The fact that it will be winter time is especially a problem in the case of the agronomist, who will not be able to view soybean production and harvesting practices. Nonetheless, the most appropriate center for soybean production, research and processing is at INTSOY at the University of Illinois. The Institute staff has excellent international experience and can provide a short-term training program very relevant to Indian soybean production.

USDA's Washington, D.C., office for crop forecasting should be able to provide a good training program for the candidates in crop forecasting. The timing for this exercise, as well as for the oilseed processing study, should pose no problems for the trainees.

Mississippi State University has an excellent program in seed production technology. Its staff is specially trained to assist developing countries improve their technology.

It is hoped that all entities involved in the clearance process will work closely to ensure that this group is able to take advantage of the opportunity to acquire more knowledge in the oilseeds sector. This component of the OPG is important enough to the success of the OGCP to justify an extension of the Grant, if that is necessary in order to carry out well planned, individualized training programs for these candidates.

F. Standing Advisory Committee

CLUSA appointed a Standing Advisory Committee of prominent U.S. cooperators to assist CLUSA in planning and implementing in-service training programs, and selection of consultants and to discuss project issues with key NDDB/OVOW officials visiting the U.S. cooperatives. The Committee consists of 10 members, four of them are associated with oilseeds processing cooperatives and six are prominent individuals with experience in cooperative management who can advise on education and training.

The Advisory Committee serves without salary or fees. The only cost to the project is for within U.S. travel, which has been minimal, and telephone calls and other communication. It is difficult for the evaluation team to assess the contribution of this Committee to the project objectives. We understand that members of the Committee have been used extensively by CLUSA in arranging for site visits and training programs for the familiarization/study tour and the in-service study tour. Certainly, on the face of it, it appears to be a cost effective way to tap expertise within the cooperative sector for planning appropriate programs for trainees and for identifying suitable candidates for consultancies.

G. Commodities

The OPG provided \$6,300 initially for financing importation of various items of audio-visual equipment, calculators, copy machines, etc., for use by the OGCP. Due to a change in Government procedures between the time the proposal was written and the project initiated, it proved impractical to buy a U.S. made copier. It was found that a suitable copier could be purchased within India and NDDDB decided to purchase this item with its own rupee funds. Only minor items, amounting to \$675.13, have been procured under this Grant.

III. ADMINISTRATION AND COORDINATION

The CLUSA Resident Representative acts as the overall coordinator in the implementation of the Grant. He visits NDDB/OVOW frequently and has established excellent working relationships with the Chairman of NDDB, the Executive Director of OVOW, and the OVOW staff. During the past year he has worked closely with them to revise the Multi-Year Operational Plan for the OGCP to incorporate recommendations of the mid-term evaluation of the project and changes in financial management to accommodate audit recommendations.

The OPG requires CLUSA to submit regular fiscal and financial reports and reports on program performance. CLUSA reports to USAID conform to the format and content required by USAID. The performance reports are generally quite comprehensive and informative. It appears that USAID is getting the information it needs for monitoring this OPG but the reports are usually quite late, typically 8-10 weeks after the end of each quarter. USAID responses to the reports comment and seek clarification or elaboration. These responses are typically within six weeks of receiving the reports. There is a great deal of communication outside the formal report channels. Personal contacts and conferences are arranged as needed for matters requiring urgent attention. The evaluation team feels that management and coordination of the Grant has been quite satisfactory.

APPENDIX I

SCOPE OF WORK FOR FINAL EVALUATION OF NDDDB TECHNICAL ASSISTANCE GRANT

(GRANT NO. AID-386-2144)

The U.S. Agency for International Development (AID) has provided a grant in the amount of \$374,800 - to the Cooperative League of the U.S.A. (CLUSA) in support of the Oilseed Growers Cooperative Project (OGCP) being implemented by the national Dairy Development Board (NDDDB) of India. The Grant is intended:

(1) to provide initial technical support to NDDDB to help ensure a successful and rapid establishment of major oilseed growers co-operative project by taking advantage of experience and skill of well advanced U.S. Cooperatives.

(2) to provide for initial monitoring cost of PL-480 Title II veg oil for OGCP for six months until all initial impact of project can be sustained by adequate and steady fund generation from sale of veg oil. At the end of initial six months period NDDDB was to provide to CLUSA an amount estimated at \$39,600 to be used on other line items of OPG Budget.

The grant was initiated on August 17, 1979 and is scheduled to terminate on June 30, 1984. Under the provisions of the Grant, a final evaluation of the Grant program is to be conducted jointly by AID, NDDDB, and CLUSA.

The overall scope of the evaluation will include:

1. Achievements against initial and revised objectives and activities as sought out in grant agreement sections A-F;

2. The relationship of external factors and provisions of inputs to the achievement/non-achievement of objectives;
3. Analysis of changes in external factors and initial program assumptions in relation to achievement/non-achievement of objectives;
4. Analysis of direct and indirect impact of the program on both immediate and other beneficiaries, particularly the success/lack of success of the program in transferring technical skills to and improving the skills and, attitudes of program beneficiaries;
5. Identification and analysis of both positive and negative unplanned effects of the grant on technical or policy elements of the OGCP;
6. Summary of lessons learned in relation to the technical assistance program implementation strategy and methods, and in relation to the utility and effectiveness of the program in transferring the technical skills in support of OGCP.
7. Assessment of project effectiveness in terms of a) efficiency in use of grant resources and b) impact of grant activities on the OGCP.
8. Recommendations related to improved utility and effectiveness in the proposed follow-on technical assistance program for the OGCP including:
 - a. Requirement for, and alternation of future OPG agreement after expiration of the grant.
 - b. Goal, purpose, areas to be addressed and output objectives as well as input requirements for the follow-on program.
 - c. Policy issues.
 - d. Specific planning, management and technical issues identified.
 - e. Modification of the strategy and methods used in the initial program.

APPENDIX II

OFFICIALS CONTACTED

NDDB, Anand

Dr. V. Kurien, Chairman
Shri Shailendra Kumar, Director
Dr. A.A. Chothani, Executive Director, OVOW
Shri M.K. Sinha, Dy. Director, OVOW
Shri N.R. Singal, OVOW
Shri N.M. Prusthy, Dy. Director, OVOW
Shri S. Roy, Sr. Project Executive, OVOW
Dr. B.K. Charaborty, Director
Shri D.K. Sen, Director
Shri G. Anjanyulu, Dy. Director
Shri V.N. Rao, Sr. Project Executive
Shri B.S. Natraj, OVOW
Shri B.S. Parashkumar, OVOW
Shri G.C. Rangan, Senior Accounts Executive
Shri S.S. Bhadauria, Senior Projects Executive, OVOW
Shri P.K. Gosh, OVOW
Shri T.N. Murthy, OVOW
Shri N.K. Sinha, Senior Projects Officer, OVOW
Shri I.A. Garate, OVOW
Dr. A.K. Srivastava, OVOW

Gujerat Cooperative Oilseed Grower's Federation, Bhavnagar

Shri K.R. Rao, Manager
Shri T.S. Trevedi, Executive Engineer

USAID, Delhi

Mr. Owen P. Cylde, Director
Mr. Richard Brown, Dy. Director
Mr. Peter Thormann, Program Officer
Mr. Harry Houck, Office of Food for Development
Mr. David Nelson, Dy. Chief, Office of Food for Development

CLUSA, Delhi

Mr. Thomas Carter, Resident Representative
Mr. John Wingard, Project Officer

APPENDIX III

Budget for OPG 386-3024 and Expenditures to October 31, 1984

Cost Item	Budget 8/17/1979- 12/31/1984	Expenditures to 10/31/1984
1. Salarys & Fees	127,695	115,412.97
2. Travel & Transportation	60,628	45,392.98
3. Training	82,556	44,756.74
4. Equipment	1,381	675.13
5. Other Miscellaneous	19,354	10,283.56
6. Overhead	<u>92,186</u>	<u>70,912.00</u>
	\$374,800	\$287,433.38