

VANUATU PLANTATION (FARM) MANAGEMENT TRAINING/

RURAL DEVELOPMENT PROJECT

GRANT # 879-0251-G-00-1002-C0

Project: 879-0251
PROJECT EVALUATION REPORT

Vanuatu

September 20-27, 1984

Conducted and Prepared by

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LIST OF ABBREVIATIONS

| | |
|------------|--|
| CUSO | - Canadian University Service Overseas |
| IHAP/NY | - IHAP's headquarters in New York City |
| NKDT | - Nasional Komuniti Development Trust |
| NPSO (CPO) | - National Planning and Statistics Office |
| ODIL | - Office de Development d'Interieur des Isles (Office of Development of Islands - New Caledonia) |
| OPG | - Operational Program Grant |
| PSA | - Plantation Support Association |
| PMTC | - Plantation Management Training Center |
| SIPCA | - International consulting firm based in Paris with South Pacific office in Noumea - management training specialists |
| SPRDO | - South Pacific Regional Development Office |
| WID | - Women in development |
| VEP | - Village Entrepreneur Training Program |
| VATU | - Unit of currency in Vanuatu, pegged to world basket of currencies - average rate approximately 100 cents US = 100 Vatu |
| ACCT | - Agence de Cooperation Culturelle et Technique (Paris) |
| PACT | - Private Agencies Cooperating Together |
| FSP | - Foundation for the Peoples of the South Pacific |
| MOA | - Ministry of Agriculture |

INTRODUCTION (An Update)

Vanuatu is a relatively small country comprising 80+ Islands which form a y-shaped archipelago stretching 450 miles in a north-south orientation with a climate ranging from tropical in the north to sub-tropical in the south. They lie at the extreme south of the volcanic arch-shaped formation termed Melanesiae, between latitudes 13 degrees north and 22 degrees south, with a total land area of 13,000 square kilometers. Coral reefs surround many of the Islands which are young in geologic formation with active volcanos on some of them.

The estimated population in 1979 was 111,251 of which 94% are of Melanesian descent (ni-Vanuatu); the rest being European, Oriental and Pacific Islanders. More than 80% of the people are rural dwellers. The annual growth rate is estimated at 2.7%.

On Independence Day, 30 July 1980, this country became known as the Republic of Vanuatu (our land) with a President as Head of State and a Parliament elected by universal suffrage. Decentralized power is vested in Local Island Government Councils elected by each of the eleven local government regions and estimated population of each --- 1979. They are:

| | | |
|-----|--------------|---------|
| 1. | Efate | 19,819 |
| 2. | Santo/Malo | 19,423 |
| 3. | Tafea | 17,506 |
| 4. | Malakula | 15,163 |
| 5. | Ambae/Maewo | 9,576 |
| 6. | Pentecost | 9,361 |
| 7. | Ambrym | 6,176 |
| 8. | Banks/Torres | 4,958 |
| 9. | Shepherd | 4,444 |
| 10. | Epi | 2,597 |
| 11. | Paama | 2,226 |
| | TOTAL. | 111,251 |

Formerly known as New Hebrides, it had been administered by the Joint Anglo-French Condominium since 1906. Bislama, a developed form of pidgin English, has been adopted as the official language though there is apparently no intention to phase out either French or English.

Traditionally, the ni-Vanuatu economy is based on subsistence farming supplemented by the production of cash crops, mainly copra, and to some extent cocoa, coffee and sea shells, and vegetable marketing in the urban areas of Vila and Santo. Cocoa, coffee, coconut and cattle schemes are being promoted and hold promise of giving the country a strong agricultural based economy (refer Appendix A).

Its off-shore banking and tax haven business have established Vanuatu as a Financial Center and the economy has diversified through this, and also through Tourism.

PROJECT EVALUATION SUMMARY

A. PROJECT SUMMARY (Salient Features)

1. This Operational Program Grant (OPG) entitled "Vanuatu Plantation (Farm) Management Training/Rural Development" was approved by SPRDO with effectivity date as of June 30, 1981 for the amount of \$498,915.00, with a time-frame of three years and three main objectives to develop, all of which have been listed in this evaluation document under the caption of "Project Background."
2. January 13, 1982 marks the beginning date of the implementation phase of this OPG with the arrival of IHAP's Project Advisor in Port Vila. The delayed posting of IHAP's Project Advisor was occasioned in the first instance by a person who already had been recruited, contract signed, airfare ticket in hand, and who withdrew the day prior to his departure to Port Vila because of family reasons, and in the second instance the person was unable to follow through because of unavoidable circumstances. These two experiences led to the initiation of a new recruitment cycle. It must be remembered that the post among other qualifications calls for a tri-lingual person (English, French and Bislama).
3. Not only does January 13, 1982 mark the beginning date of the OPG's implementation phase it marks the establishment of the first American PVO Project Office in Vanuatu. From hereon IHAP's Project Advisor took full control of the responsibilities of the post and with backstopping from IHAP/NY and support from SPRDO initiated all that was required to set the wheels in motion including visitations to the out-islands and into the rural areas. Appropriate contacts were carried out with the Vanuatu government as well as with non-governmental agencies having to do

directly or indirectly with IHAP's Operational Program Grant thrust.

4. Ten months after the arrival of IHAP's Project Advisor in Port Vila, 95% of all construction work to be done through the OPG for the Plantation Management Training Center were completed. The curriculum for the Training Course was completed. The first group of trainees started the training course in November and completed it in August 1983. The second group started in June and will complete the course in March 1985.
5. Under the Rural Community Development component, a total of thirteen small-scale miscellaneous projects of which eleven received support totalling \$28,351.00 were developed during the period June 1982 to June 1984. Assistance was provided to the Nasonal Komuniti Development Trust in the form of a grant totalling \$12,000.00 to supplement NKDT's Revolving Loan Fund which is aimed at helping the small loan-holder.
6. Between the period June 1982 to October 1984 a total of twenty-two projects were supported through funds from this OPG for the project component entitled "Women in Development (WID)" to the amount of \$17,757.00.
7. In December 1983, IHAP introduced a new project component to be carried out by IHAP as a pilot project initially for institutionalization at a later date, entitled "Village Entrepreneur Training (VEP)" also referred to as "Village Small Business" or "Vilej Smol Biznis." A new budget line was established for the amount of \$65,460.00 made possible by the reduction of support from three budget line items, i.e., "Rural Community Development"; "Women in Development"; and "Training-Farm Management." The alteration did not affect the OPG's total amount which remained unchanged at \$498,915.00.

The project calls for the training of village entrepreneurs aimed at helping them identify whether their businesses are "winning or losing" money.

Between the period January 1984 to the time of this evaluation mission Ni-Vanuatu Advisors/Trainers^{*} had been recruited and trained. A training program was carried out in a rural area of the Island of Efate which included a village restaurant, three stores, a truck transport service, a women's transport service. By October 1984 it is reported that a total of fifty-three small entrepreneurs had been serviced.

8. A result of developing the Plantation Management Training Center (PMTC) has been the establishment of the Plantation Support Association which is being developed through another OPG entitled "Assistance in the Revitalization of Vanuatu Agriculture" budgeted for \$197,875.00 for two years from April 1984 to April 1986. The PSA is a cooperative-type organization established in June 22, 1983 by ten member plantations representing major plantation islands. Essentially, the PSA is the PMTC's outreach. The PMTC Director is currently the Acting General Manager of PSA. Two Ni-Vanuatu Advisors have been recruited thus far out of the four to be appointed.
9. A more detailed account comprising background, achievements, assessment and recommendations of all the activities described above will be found on the following pages under the caption of each project component.
10. Lastly, it is recommended that IIAP maintain the catalytic role it has played so successfully in Vanuatu--catalytic, a term frequently used by IIAP's Project Advisor in describing the kind of support provided to projects via this OPG aimed at improving the quality of life through self-help.

A. EVALUATION METHODOLOGY

1. The evaluation took place in Port Vila during the week of September 20 to the 27th, 1984 with a prior two-day visit to SPRDO for briefing purposes and for debriefing during the week of October 5, 1984.
2. The evaluation mission was carried out in accordance with the Terms of Reference prepared by IHAP as follows:
 - (a) to determine the extent to which the planned targets have been achieved;
 - (b) to appraise the effectiveness of the projects in contributing to the economic and social development in Vanuatu;
 - (c) to identify unplanned results and implications;
 - (d) to ascertain the reasons for success or failure of a given activity;
 - (e) to analyze project budgets with a view to assessing the need for project amendments;
 - (f) to determine if the project design needs to be modified or amended;
 - (g) to recommend future actions based on the achievements and experiences to date and the insights gained therefrom.

C. RECOMMENDATIONS

1. IHAP has complied with the terms and conditions set forth in the Operational Program Grant. Despite a few constraints it has effectively carried out the three main objectives of the project in accordance with the plan of

action outlined in the project document. It has established a good working relationship with government and non-government entities.

2. These recommendations are made on the basis of the following criteria:

(a) that the pending Memorandum of Understanding between IHAP and the Republic of Vanuatu be signed as a continuum of that which was signed on June 20, 1980 between IHAP and the then Government of New Hebrides of pre-independence days.

(b) that the government continue to recognize and support the urgent need for the training of Plantation Managers at the Plantation Management Training Center in order to have qualified people to man the increasing number of plantations passing on from expatriate hands to national management. Said support is in recognition of the fact that the Plantation Industry in Vanuatu contributes 28% of all copra produced, 90% of all beef, over 30% of all cocoa and that the Industry plays a definitive contributory role as a foreign exchange earner and should not be allowed to deteriorate.

(c) that the National Komuniti Development Trust maintain its good standing as an indigenous organization in the community and, in line with the concept of self-reliance, that it start building a financial base from local contributions, the lack of which has been the major drawback since its inception.

3. The following recommendations are a summation of specific recommendations detailed under the analytical description made for each project component:

(i) it is recommended that this OPG entitled "Vanuatu Plantation (Farm) Training/Rural Development" project scheduled

to end December 14, 1984 be extended to April 1, 1985 to allow the completion of a few pending activities and the formulation of a new OPG to replace it. The new OPG can take the form of an OPG by itself or its contents be incorporated into IHAP's current on-going OPG entitled "Assistance in the Revitalization of Vanuatu Agriculture" scheduled to end in April 1986 in which case it would be an expanded version of the latter. The fusion will facilitate administration, monitoring, evaluation, etc...since one project is an off-shoot of the other. It will also provide the opportunity to add-on a few items deemed pertinent by IHAP to the project document to enhance specificity, including a revision of the budget to cover the salary of the expatriate General Manager for the Plantation Support Association which was not covered initially and the activation of the two Ni-Vanuatu Advisor positions.

(ii) in re-designing a new OPG thrust consideration of the following points is suggested:

(a) continued assistance be provided to the Plantation Training Center for an additional two years in order to strengthen its performance, and to consolidate on the gains made to date including devising ways and means to develop its income generation plan to achieve self-reliance at short term. The PMTC's staff requires upgrading. There is definite need to devise a better system for recruitment of trainees. There is need to establish some kind of working relationship with the training division of the government's Tagabe National Agriculture School near Port Vila.

- (b) pilot projects to be undertaken in the future should be anchored to and implemented by indigenous organizations from the very start as part of the "pilot" process.
- (c) because of their questionable socio-economic impact, narrow focus, wide geographic dispersion and costly servicing, assistance to small-scale projects should be scaled down in favor of larger projects, with clear-cut objectives and well-defined activities to achieve them and a baseline data directly relevant to the project purpose. Financial support to projects should be directly related to the project purpose. Project assistance should not be limited to the infusion of materials and supplies only unless the project is comprehensive and broad-based.
- (d) increase support to NKDT is recommended in the form of project grants. However, a more analytical approach should be taken in the selection of which projects to fund. The evaluation mission is supportive of IHAP's recommendation to NKDT to the effect that a certain percentage (not defined as yet) be charged to Project Grants in order to cover NKDT's administrative costs. IHAP's supplementary support to NKDT's Revolving Loan Fund should be reviewed and adequately monitored to measure performance in order to be able to provide technical assistance on time if needed. IHAP's authorization to NKDT allowing a 30% surcharge on the IHAP Fund for each loan made

in order to cover administrative costs should be discontinued because of its negative effect and because it does not conform with the agreement entered into on June 21, 1982 between IHAP and NKDT.

4. In drafting a new OPG it is recommended that IHAP consider a specialized approach to the objectives aimed at by the OPG rather than a diversified one.

PROJECT BACKGROUND *

CHRONOLOGY OF BASIC INFORMATION

20 June 1980 Memorandum of Understanding signed with Government of New Hebrides with the current Prime Minister of Vanuatu, Walter Hayden Lini, as signatory.

8 September 1980 IHAP/NY submits OPG proposal amounting to \$498,915 to SPRDO entitled, "Vanuatu Plantation Management Training/Rural Development Project". The proposal spells out the following three main objectives which are to be achieved during a three-year time-frame with the Central Planning Office (CPO) of the Government of Vanuatu acting as the National Coordinating Agency and IHAP/Vanuatu in charge of the overall management of the OPG with IHAP/NY providing logistics and back-up support:

Objective #1: - To establish a comprehensive management training program for prospective plantation managers (PMTG).

Objective #2: - To provide financial development assistance for small rural projects.

Objective #3: - To provide financial assistance for development activities which will promote awareness, participation and advancement of women in society.

8 May 1981 As a result of a dialogue between IHAP/NY and SPRDO, IHAP submits an addendum to the OPG proposal covering three areas as follows:

* Note: For all budget adjustments discussed under this caption please refer also to the Budget Analysis Sheet Appendix B.

(1) Change of Title:

From "Vanuatu Plantation Management Training/Rural Development Project" to "Vanuatu Farm Management Training/Rural Development."

(2) Change in Content

(paragraph 2.02 page 4 of OPG document proposal) - from "A principal number of the plantations are "owned" by expatriates but, with independence, the decisions has been taken that all land will be returned to the customary owners as all freeholding by the current operators will be cancelled. Plantation production of agricultural exports contribute the lion's share of the sector of the economy. Although there are no plans to invite some expatriate producers to remain and produce on leasehold basis, it is expected that a number of plantations will change ownership. The Government recognizes the need to train managers for these plantations (so as to avert fragmentation and maintain economic yields) and is requesting assistance for this industry."

to "A number of farms ("plantations") which are owned by local "village cooperations" or families are poorly managed or are underdeveloped as a result of the dearth of good managers. In an effort to revitalize the agricultural sector and improve production and productivity, the Government has set training in farm management as one of the primary goals."

(3) Change in Content (last paragraph on page 13 of OPG document proposal)

from: "Each student will be sponsored by a plantation a cooperative, a community or the Ministry of Agriculture. The MOA will have the responsibility of

identifying these other sources. Each sponsor will make a monthly contribution of \$45 to a single student as an allowance during the period of training".

to: "Each student - unit (man and wife) will be sponsored by a "village cooperative," a family group or by the Ministry of Agriculture. During the period of training each sponsor will contribute a monthly stipend of \$45 for each student-unit sponsored."

(4) Budget Adjustment - Characterized by the following:

- (1) Total amount of OPG request remains unchanged at \$498,915;
- (2) Budget line item shifts for the three-year period as follows:
 - (a) increase in Project Advisor's salary from \$64,300 to \$67,610 or an increase of \$4,310;
 - (b) deletion of "medical insurance" as a line item for the Project Advisor amounting to \$3,310.
 - (c) under the caption of "Training/Farm Management" the following shifts are noted:
 - (1) Buildings from \$102,525 to \$109,005 or an increase of \$6,480;
 - (2) Equipment/supplies from \$32,020 to \$17,110 or a decrease of \$14,910;
 - (3) Services from \$10,964 to \$14,946 or an increase of \$4,000;
 - (4) Direct Operating Costs from \$29,518 to \$33,948 or an increase of \$4,430.

30 June 1981

SPRDO approves IHAP's OPG revised proposal submitted on 8 May 1981 with effectivity as of 30 June 1981. Salient features of this approval are

(a) "grants IHAP the initial sum of \$259,600 to provide partial support for a three-year program for Vanuatu Plantation Management Training/Rural Development Project."

(b) "additional funds may be provided by AID, up to the total estimated amount of \$498,915 in accordance with the Standard Provisions of this grant entitled "Limitation of Funds."

(c) "The funds provided shall be used to finance the items set forth under 'Budget' except as modified by the revised proposal submitted 8 May 1981."

13 July 1981:

IHAP's Executive Vice President signs the "Statement of Assurance of Compliance" for SPRDO.

13 January 1982

IHAP's Project Advisor arrives in Vanuatu and is stationed in Port Vila.

26 May 1982

SPRDO approves Amendment #1 to the OPG with Grant #879-0251-G-00-1002-00.

Salient features of this Amendment as follows:

(a) "One proposal of this Grant is to provide funds for the Grantee to sub-grant to the National Komniti Development Trust (NKDT) for use as a Revolving Loan Fund. Such Grant funds are authorized to earn income (interest and otherwise) and may be further used by the NKDT for its own purposes without continuing accountability to AID or to the Grantee - provided that, prior to such use of the Grant, the Grantee and AID shall approve a plan of operation or similar, suitable requirement for such

revolving loan fund, the amount of Grant funds to be used, and a covenant on the intended subsequent use of any reflows and/or earnings by the sub-Grantee.

(b) "Except for those funds agreed to and allocated for the Revolving Loan Fund to NKDT, the approval process for the \$78,000 Miscellaneous Development Projects as described in the approved OPG document is hereby modified to require the advance approval of the Grant Officer before any funds are released for individual projects by IHAP. This approval should be in advance in writing (including cable approval) and following the approval of the IHAP Technical Advisory (and IHAP/NY when necessary)).

23 July 1982

IHAP submits a request to SPRDO for an OPG budget amendment representing an amount totalling \$25,855 over and above the approved OPG budget totalling \$498,515. The request if approved is to be implemented retrospectively rather than retroactively as of April 1982. The breakdown of the budget is as follows:

| | |
|----------------------------|---------------|
| (1) Administrative Support | \$ 14,475 |
| (2) IHAP Backstopping | <u>11,380</u> |
| TOTAL | \$ 25,855 |

The amount of \$14,475 would be an add-on to the approved OPG budget under the caption of "Administrative Support" totalling \$29,592. The amount of \$11,380 would be an add-on to the approved OPG budget under the caption of "IHAP Indirect Costs" totalling \$65,830.

IHAP's justification for the above is outlined as follows:

(1) increase employer contribution to social security taxes, employee medical and statutory insurances, local administration etc.,...increased expenses occasioned by Federal and State requirements, inflation and related factors beyond IHAP control.

(2) IHAP Indirect Costs represents a percentage of the Project Advisors salary for which the amount of \$65,830 is allotted in the approved OPG budget. However, this amount does not include other backstopping costs recognized as ordinary and necessary for the performance of the contract, i.e., proportionate share of IHAP's program department staff salaries, benefits and related costs that are allocable to each project. (No response from SPRDO to date, September 27, 1984.)

11 August 1982

IHAP submits, for SPRDO consideration, a request for "Reallocation of some of the budget lines of the Grant" as follows:

(1) total amount approved for the OPG remains unchanged at \$498,915;

(2) budget line item shifts for the three-year period as follows:

(a) decrease in "housing allowance" for Project Advisor from \$15,888 to \$13,200 or a decrease of \$2,688;

(b) deletion of line item "school allowance" for Project Advisor equal to \$3,000;

(c) decrease in "house search allowance" for the

Project Advisor from \$1,560 to \$1,000 or a decrease of \$560.

(d) decrease in "shipping allowance" for Project Advisor's personal effects to post and return from \$7,140 to \$3,480 or a decrease of \$3,660;

(e) under the caption of "Training/Farm Management" the following shifts are noted:

- (1) Buildings - from \$109,005 to \$115,221 or an increase of \$6,216
- (2) Equipment/Supplies - from \$17,110 to \$32,020 or an increase of \$14,910
- (3) Services - from \$14,964 to \$10,964 or a decrease of \$4,000
- (4) Direct Operating Costs - from \$33,948 to \$29,518 or a decrease of \$4,430.

(f) under the caption of "Rural Community Development Projects" an add-on line item is introduced - "NKDT Sub-grant" with an allotment totalling \$36,000 assigned to it. This add-on allotment for NKDT does not alter the total amount assigned to the caption "Rural Community Development Projects" which remains unchanged at \$78,000. Thus, the amount of \$78,000 previously allotted for "Miscellaneous Development Projects" is reduced to \$42,000.

(g) under the caption of "Administrative Support" the following shifts are noted for the three-year period:

(1) Salary of Assistant Project Officer reduced from \$23,170 to \$13,404 a decrease of \$9,766;

(2) under "Office Supplies/Communication" an allotment of \$7,200 is made;

(3) under "Office Equipment/Furniture/Fixtures" an allotment of \$2,000 is made;

(4) under "Office Space Rental", a new budget line item, an allotment is made amounting to \$4,200.

June/July 1983

IHAP's Director of Programs made a tour of IHAP's projects in the South Pacific and visited Vanuatu, Papua New Guinea, The Solomons, The Cooks and Fiji.

29 July 1983

SPRDO approves Amendment #2 to the OPG with Grant #879-0251-G-SS-1002-00. Salient features of this Amendment are as follows (refer to the contents of the paragraph under 30 June 1981 date):

(a) SPRDO grants IHAP the entire amount of the OPG totalling \$498,915. Thus, the initial partial support granted to IHAP totalling \$259,600 is deleted.

(b) Deletion of the paragraph that states "additional funds may be provided...with the Standard Provisions of this Grant entitled 'Limitation of Funds.'"

(c) Approval of IHAP's revised proposals submitted for SPRDO's consideration on 11 August 1982 with the following budget breakdown for the three-year period:

| | |
|---|-------------------|
| 1. IHAP Direct Operating Costs | \$ 100,078 |
| 2. IHAP Technical Staff (Field Evaluations) | 7,480 |
| 3. Training/Farm Management | 187,723 |
| 4. Rural Community Development | 78,000 |
| 5. Women in Development | 33,000 |
| 6. Administrative Support | 26,804 |
| 7. IHAP Indirect Costs | <u>65,830</u> |
| <u>OPG TOTAL</u> | <u>\$ 498,915</u> |

24 October 1983

SPRDO approves Amendment #3 to the OPG with Grant #879-0251-G-SS-1002-00. Salient features of this Amendment as follows:

(a) it is a non-funded Amendment issued to correct administrative error in Amendment #2.

(b) the amount of \$239,315 obligated under Amendment #2 is to be added to IHAP's FRLC: \$259,600 approved initially equaling the entire OPG amount of \$498,915.

1 December 1983

IHAP/Vanuatu submits proposal to SPRDO for approval to introduce a new budget line item "Village Entrepreneur Training (VEP)" in the OPG budget for which the allotment of \$65,460 is made. Justification for the proposal which aims at providing financial assistance for management training for rural entrepreneurs in the private sector eventually providing models for many of the rural population is outlined as follows:

(a) The average ni-Vanuatu has very little experience in cash management and many trade stores have failed as there was no understanding or training in management.

(b) Government and private sector leaders have requested IHAP assistance in the private sector for development of the rural economy through VEP.

(c) The Cooperatives Department and other private sector leaders have encouraged the formation of cooperatives and micro-enterprises, but many have failed due to lack of adequate management and experience on the part of the entrepreneurs. The majority of cooperatives established prior to 1981 (Vanuatu Independence in 1980) failed due to lack of management.

(d) The proposal has been approved for implementation by the Chief of National Planning and Statistics and by the Advisory Group consisting of the Departments of Industry, Cooperatives, Social Development - Women's Interest Section, Development Bank and by the Deputy Prime Minister.

As a result of the introduction of a new budget line described above, IHAP submits the following revised budget for the OPG for the three-year period:

| | |
|--|-------------------|
| (a) IHAP Direct Operating Costs | \$ 105,682 |
| (b) IHAP Technical Staff (Field Evaluations) | 7,480 |
| (c) Training/Farm Management | 168,263 |
| (d) Rural Community Development | 44,000 |
| (e) Women in Development | 21,000 |
| (f) Village Entrepreneur Training (VEP) | 65,460 |
| (g) Administrative Support | 21,200 |
| (h) IHAP Indirect Costs | <u>65,830</u> |
| <u>TOTAL OPG</u> | <u>\$ 498,915</u> |

The above revised budget as submitted for SPRDO's approval represents a "reallocation of some of the budget lines of the Grant" different from that contained in the paragraph under 11 August 1982. The current request is characterized by the following:

- (1) total amount approved for the OPG remains unchanged at \$498,915
- (2) budget line item shifts for the three-year period as follows:
 - (a) Salary increase for the Project Advisor from \$67,610 to \$69,414 or an increase equal to \$1,804.

This adjustment increases the total amount assigned to IHAP's Direct Operating Costs from \$100,078 to \$101,882 or an increase

equal to \$1,804.

(b) Under the caption "Training/Farm Management" a reduction is noted from \$187,723 to \$168,263 or a decrease equal to \$19,460. No breakdown in the various line items (buildings equipment/supplies, services, direct operating costs) is stated.

(c) Under the caption "Rural Community Development" a reduction is noted from \$78,000 to \$44,000 or a decrease equal to \$34,000 without an indication as to how much of the \$44,000 is being allotted to "NKDT" and how much to "Miscellaneous Development Projects." Later on, IHAP indicated the breakdown to be as follows: (i) Miscellaneous Development Projects - \$32,000; (ii) NKDT Sub-grant - \$12,000.

(d) Under the caption "Women in Development (WID)" a reduction is noted from \$33,000 to \$21,000 or a decrease equal to \$12,000.

(e) the new budget line "Village Entrepreneur Training" was introduced with a block allotment totalling \$65,460.

(f) Under the caption of "Administrative Support", a reduction in the line item "Office Space Rental" is noted from \$4,200 to \$3,800 or a decrease equal to \$400.

18 January 1984

SPRDO approves IHAP's revised proposal submitted on 1 December 1983 as Amendment #4. A revised budget superceding all budgets contained elsewhere in the Grant documents is the salient feature of this Amendment. the termination date of the OPG is December 14, 1984.

20-27 September 1984

Evaluation of the Project entitled "Vanuatu Farm Management Training/Rural Development Project" -- OPG # 879-0251-G-SS-100-1002-00 was carried out.

I. TRAINING-PLANTATION MANAGEMENT (PMTG)

A. BACKGROUND

B. ACHIEVEMENTS

C. ASSESSMENT

D. RECOMMENDATIONS

I. TRAINING-PLANTATION MANAGEMENT (PMTG)

A. BACKGROUND

1. With Independence, the new Republic of Vanuatu ruled that all land would revert to the customary owners since all freeholding by the current operators would be cancelled. As a result of this ruling, a number of plantations owned by Expatriates changed ownership while a few have remained on a leasehold arrangement.
2. To some extent the situation regarding the Plantation Industry in Vanuatu remains just about the same today as was described by the French Consultant who carried out an assessment in 1981 in response to the government's request. Dr. Jean Delion in his paper entitled "Melanesian Companies and Plantation Management in Vanuatu" reported that the Plantation Industry in Vanuatu could be divided into three major headings as follows:

(a) Expatriate-owned Plantations ---

- (i) They comprise the majority, covering an estimated area of 180,000 hectares of which 60,000 consist of developed land with the balance under forest.
- (ii) They produce and contribute 28% of all copra, 90% of all beef, 32% of all cocoa and 90% of all coffee nationally.
- (iii) Resources of copra are declining due to over-aged coconut palms.
- (iv) Plantations are unproductive and poorly managed.
- (v) A drastic decline in intensive crops such as cocoa and coffee was brought about by the out-migration of Vietnamese labor in the 60's. These were replaced by beef production under the old practice of grazing under coconuts, resulting in over-grazing etc.

(vi) Accelerating the decline of these plantations is the factor of security of tenure.

(b) Ni-Vanuatu Operated Plantations

(i) Averaging two hundred hectares per plantation, these cover an estimated area of three thousand hectares of developed land. The majority of them are senile and abandoned plantations while a few are young and well-cared-for.

(ii) Overall production is on the decline due to lack of management skills.

(c) Church-owned Plantations

(i) These cover an estimated area of sixteen thousand hectares, of which three thousand consist of developed land. Plantations range from under ten hectares to over a thousand hectares.

(ii) Few have plans for replanting.

(iii) Some have management skills.

3. Historically, the Plantation Industry sector has provided a dynamic contribution to national development. Plantations which have reverted to customary owners and are being managed by rural/village committees are experiencing difficulties mostly in the area of technical know-how, management skills, capital investment and land disputes. Timely interventions by government and private institutions are needed to assist rural/village committees if the Plantation Industry is to survive and continue to contribute to national development. While recognizing the need to support small land-owners as well in their agricultural development Dr. Delion, in his recommendations to the government, outlines the following reasons why the plantations now under the control of rural/village Committees should not be allowed to fragment into small land-holdings:

- (a) Plantations are there and ready to work. Parceling will cost more, require more capital in the setting up of new fencing, water supplies, etc..
 - (b) Plantations have served as development models and have provided the leadership and technical know-how to adjoining small land-holders.
 - (c) Plantations offer opportunities for intensive work and high levels of production, are innovative and follow market changes with better information, and possess a high level of training in marketing. Again, these characteristics serve as models to the small land-holder.
 - (d) Plantations in isolated areas help organize the marketing of small-holder's products by allowing them to piggy-back shipping their products with the plantation shipment.
4. The situation described reflects the complexity of the problem and its magnitude. The rationale behind this OPG component is to contribute in part to the problem-solving process by focusing on the dire need to protect the Plantation/Farm Industry from further deterioration by training ni-Vanuatu Plantation/Farm Managers. To this end, IRAP through financial support provided by this OPG, established the Plantation Management Training Center in conjunction with the Roman Catholic Diocese with the approval of the national government, specifically with the cooperation of the Department of Agriculture, using "La Source," the commercial farm of the Diocese located in the outskirts of Port Vila, as the training venue.

"La Source" Plantation is a commercial property situated on eight hundred hectares of leased land, six hundred of which are developed for Diocesan use to provide income derived from cattle, pigs, sheep and coconuts. There is sufficient undeveloped land for a continuing training program in land

clearing, as well as, the planting of coconuts and cocoa. The Diocese has designated twelve hectares of land for the exclusive use of the PMTC and it is here where one finds the training facilities and the cultivation of vegetables, fruit gardens, passion fruit; peanuts, two nurseries (one for cocoa and the other for coconuts) and a pig/poultry unit where experimentation on local feed is being researched. In addition to the twelve hectares, the PMTC is developing four hectares per year up to a maximum of twenty hectares in cocoa, pepper and other cash crops for PMTC income generation, thus, by the end of the fifth year the PMTC will be holding a total of thirty-two hectares.

The PMTC is managed by a Director who is at the same time is "La-Source's" Plantation Manager. There are two Trainers under his jurisdiction, i.e., an Agricultural Trainer and a Home Economics Trainer. The Director and both Trainers are citizens of Vanuatu. In addition, the PMTC has a Mechanics Trainer and a CUSO Volunteer Livestock Trainer.

5. The OPG's objective #1 aims at establishing a comprehensive management training program for prospective plantation managers with the following main components:
 - (i) Building a physical plant (Training School complex)
 - (ii) Student selection and identification of sponsors
 - (iii) Curriculum development and the training (practical and theoretical) of specific skills in crop production, animal husbandry and principles of farm management.

6. The PMTC and its Advisors have been instrumental in the establishment of the "Plantation Support Association" (PSA), on June 22, 1983 by ten member plantations representing major plantation islands. The PSA is a cooperative-type organization comprised of member plantations who pay a membership fee of about \$15.00 per annum, its objectives are the following:

- (i) provide plantation support/technical advise to all member plantations;
- (ii) advise and assist members in their management accounts
- (iii) assist members formulate development programs for their plantations;
- (iv) encourage/support ni-Vanuatu initiative;
- (v) provide assistance in administration and monitoring of redevelopment funds;
- (vi) PSA funds to be used to further the objectives of the association;
- (vii) The PSA to progress to independence from direct government participation.

7. IHAP's two-year Operational Program Grant request for PSA support totalling \$197,875, was approved by SPRDO in April 1984 as a separate OPG; the salient features of which are the following:

(a) Budget Breakdown

| | |
|--|------------------|
| (i) Technical Assistance (IHAP Project Advisor) | \$44,940 |
| (ii) Training (Ni-Vanuatu Advisor/Trainer x 4) | 86,095 |
| (iii) Commodities (Revolving Fund) | 15,000 |
| (iv) Other costs (audit, etc...) | 24,910 |
| (v) IHAP costs | 26,930 |
| <u>TOTAL</u> | <u>\$197,875</u> |

(b) Functional Characteristics

- (1) The PMTC Director is the Acting General Manager of the PSA pending the arrival of a British Expatriate

recruited by CUSO from Papua New Guinea. It is expected that at the end of the two-year period the CUSO Volunteer will be replaced by a Ni-Vanuatu person.

- (ii) The PSA office will be located on the Island of Espiritu Santo (Luganville) with a General Manager, a Secretary/Clerk, and four Advisor/Trainers.
- (iii) The four Ni-Vanuatu Advisor/Trainers will periodically visit PSA members to provide technical services with regards to production of copra, cattle, coffee and cocoa; to encourage the establishment of village plantation committees; to identify potential managers and encourage participation at the PMTC; to provide "follow-up" services to PMTC graduates; and to provide advisory services in coordination with officials from the lands office, veterinary services, livestock, etc.
- (iv) Services provided to PSA members by the PSA Advisors will be on the basis of a users fee of Vt. 200.00 (\$2.00) per ton of copra sold.
- (v) The PSA projects that self-sufficiency will be attained around the third year of operation by increasing users fees and pledges obtained from local sources such as the Lions Club, the Chamber of Commerce, etc.
- (vi) The budget line item "Commodities" represents an allotment for a Revolving Fund which will provide equipment and supplies to PSA members on a cash basis at prices considerably lower than those charged by Port Vila merchants.

B. ACHIEVEMENTS

1. The OPG was approved by SPRDO on June 30, 1981, and the implementation phase began with the arrival of IHAP's Project Advisor in Port Vila on January 13, 1982.
2. Building a Physical Plant (Training School Complex)
 - (a) Eight duplex cottages for trainees with outside "bush" kitchens completed;
 - (b) Four ablution blocks, one for every two cottages, completed;
 - (c) Classroom block composed of a large classroom, a smaller classroom, a staff office, and a storeroom completed;
 - (d) One generator shed built;
 - (e) One staff house completed (assigned to the PMC Director)
 - (f) Installation of a five thousand gallon water supply system;
 - (g) Equipment and supplies such as shelving, cupboards, tables, benches, blackboards, bulletin boards, basic tools and reference books, slide sets, charts and posters, sewing machines in place;
 - (h) Finishing of one staff house built by the Diocese for the PMTC in lieu of purchase of a non-US made generator and water pump;
 - (i) Clearing of the construction site.
3. Student selection and identification of sponsors.
 - (a) For the most part the selection of the trainees originated at the level of Plantation Management Committees who were equally the sponsors. The final

screening of all applicants was done by a PMTC Screening Committee comprised of two Ni-Vanuatu Advisors, the PMTC Director, the IHAP/Vanuatu Project Advisor, and the French Consultant from SIPCA. A total of seventeen trainees, mostly from the Islands of Malekula and Pentecost two of which were sponsored by the Australian High Commission and IHAP, were selected for the training program on the basis of the following criteria:

- (i) that the land disputes on the sponsoring plantation have been settled, and a functioning Management Committee of land owners and community leaders exist;
- (ii) that the trainee be sponsored by the Plantation Management Committee for the amount of Vt. 50,000.00 (approximately \$500.00) of which Vt. 4,000.00 (\$40.00) would be assigned to the trainee each month for his/her use for small personal items not provided by the PMTC, and Vt. 1,000.00 per month for the PMTC to cover its direct operating costs over the ten-months' course;
- (iii) that the trainee be willing to return to the sponsoring plantation to work for a period of two years;
- (iv) that practical experience be given precedence over formal education;
- (v) that mature, married couples over the age of twenty-five be given priority; this in line with PMTC policy requiring that wives of trainees pursue a parallel course during the training period to prepare them with skills of home craft and good living to prepare them for their supportive role in plantation management;

- (vi) that male trainees be able to read and write Bislama;
- (vii) that preference be given to those applicants who had already worked on their sponsoring plantation for at least six months prior to their arrival at the PMTC.
- (b) The first group of trainees numbering seventeen consisting of twelve males and five females (five couples + seven single individuals) started the first training course in November 1962 and completed same in August 1983. The second group numbering nineteen consisting of thirteen males and six females (six couples + seven individuals) started the second course in June 1948 to complete it in March 1985.
- (c) Curriculum development and the Training (Practical and theoretical) of specific skills in crop production, animal husbandry, and principles of farm management.

The course has a heavy practical bias, 80-90% of the time being spent outdoors. The trainees make a major contribution to the work force of the "La Source Plantation," and in so doing gain practical skills. The Plantation Management Training Course covered a span of ten months with no breaks, coincident with the Vanuatu agricultural year and encompassing three major areas of instruction as follows:

- (i) Technical Assistance - covers such subject matter as cattle husbandry, coconut production, cocoa production, forestry, building, and machinery.
- (ii) Labor Management - covers such subject matter as task work, contract work, day work, supervision of labor, organization of crews, day book, wages, and labor laws and conditions.

(iii) Financial Management - covers such subject matter as simple accounts, farm diary, crop and livestock records, budgeting, costing, and plantation planning.

4. Though not mandated by this OPG, it is recognized that the establishment of the Plantation Support Association is listed here as an achievement; the result of intensive efforts exerted by the PMTC, its Advisors, and IHAP in their objective to create an outreach for the PMTC and to strengthen its role in the private sector development through down-to-earth manpower training in agri-business methodology.

C. ASSESSMENT

1. In implementing this project component entitled "Training Plantation Management" (PMTC) IHAP has complied very effectively with the objectives set forth under this caption.
2. The training facilities, i.e., housing units, classroom block etc., which were constructed through funding assistance from this OPG were found to be in a very good condition, well-kept and properly managed. Small vegetable gardens were being developed around each housing unit by the trainees for diet supplementation purposes. There are two construction items which have not been carried out to-date totalling \$11,242.00, i.e., Workshop Extension budgeted for \$8,242.00, and Workshop/Garage/Employment Shed budgeted for \$3,000.00. It is noted from the Budget Analysis Sheet (refer Appendix B) that as of October 1, 1984 the amount of \$6,371.00 remains unspent out of \$115,221.00

budgeted for construction purposes indicating a short-fall of \$4,871.00 required to complete the construction of the two items mentioned.

3. The PMTC's curriculum is found to be comprehensive, well-conceived, well-designed, responsive to Melanesian needs and adapted to its culture. From all estimates, the PMTC training program has been adequate from the didactic and practical point of view. It is rather early to quantitatively measure the "graduate's" performance in the management of his plantation at this point.
4. The PMTC Training Staff have carried out their responsibilities well. However, it has been reported that upgrading of some of the staff is necessary and will be forthcoming. The PMTC will lose the valuable services of Mr. Simon Tapi who has been seconded by the Department of Agriculture to the PMTC during this period. It is not known at the time of this evaluation visit whether or not the Department of Agriculture will second another person; if not, it will pose an add-on to the PMTC's budget.
5. Although the number of prospective plantation managers to be trained during the life of the three-year project was not specified under the caption of "objectives," the OPG budget called for support for twenty-eight trainees for which a budget allotment totalling \$18,000.00

was made. The first group of trainees numbering seventeen (five couples + seven singles) completed the ten-month course in August 1983, and after a long interval of approximately ten months, the second group numbering nineteen (six couples + seven individuals) started the course in June 1984 to complete same in March 1985. It was stated that the long delay was due mostly to recruitment difficulties and readjustments made in the curriculum and methodology of instruction as a result of lessons learned from the experience of the first course. However, though it appears that the delay was unnecessarily prolonged, it was felt that the course should coincide with the Vanuatu Agricultural year; on the basis of this rationale the decision was taken to initiate the second course in June 1984 to end in March 1985 even though the termination date of the OPG was scheduled for December 14, 1984.

6. The PMTC's ten-month course with no breaks, coincident with Vanuatu's agricultural year, far excels the previous twelve-month course set forth in the OPG. Hereon, the training cycle will begin in June and end in March with two months of respite in April and May during which time there will be no trainees at the PMTC.
7. Rather than the six-month, post training apprenticeship required for the trainee as stipulated by the OPG which was rejected by the Papua New Guinea Plantations where

the apprenticeship was to take place, the PMTC shifted the concept and made it one of the requirements for admission to the training program. The fact that apprenticeship has now become a requirement for admission, the trainee comes to the PMTC "conditioned" for the program which maximizes his/her success potential; this is a change for the better.

8. The role played by the PMTC in the establishment of the Plantation Support Association reflects the serious attempt being made by the private sector in coordination with the government to safeguard from fragmentation the plantation concept, which has been one of the vanguards of foreign exchange earners in the country, without discounting the contributory role of the small holder towards national development. In view of the fact that the Plantation Support Association is indeed an offshoot of the PMTC, it became necessary to briefly review the PSA operation even though such action was not part of the terms of the evaluation mission.
9. A salient feature worth mentioning is that the OPG budget for the Plantation Support Association called for an allotment to cover the salaries of four ni-Vanuatu Advisors who would periodically travel, providing technical assistance, etc., to plantations. Two of these positions have been filled while the other two have been deactivated in order to cover the salary of the IHAP-hired British Expatriate recruited through CUSO in Papua New

Guinea who is to function as the PSA's General Manager in view of the fact that the OPG did not have a budget line item for this position initially.

10. Despite all the assistance IHAP has provided the PMTC through this OPG, much more needs to be done before the PMTC becomes self-sustaining. However, the fact that the PMTC is developing four hectares per annum to a maximum of twenty hectares in cocoa, pepper, and other cash crops for income generation purposes is a clear indication that the PMTC is aware of the problem and is therefore headed towards the goal of self-sufficiency.. at long term. The PSA being what it is, an off-shoot of the PMTC with a solid inter-relationship existing between them, should be looked upon as a potential source for financial support to the PMTC if and when the PSA becomes self-sufficient.

11. The kind of positive response received from counter part and non-counterpart contributors attests to the importance which have been attributed to this particular component of the OPG. The Roman Catholic Diocese has contributed two staff houses, a water pump and generator, the utilization of its own labor, trucks and farm equipment, the salary of the PMTC Director/ Plantation Manager, the salary of the Mechanics Instructor, and the rental for the land designated to the PMTC. Other

contributors are the Government of Vanuatu with the secondment of Mr. Simon Tapi as Trainer in Agriculture, the Australian High Commission by providing a scholarship for one trainee, the British High Commission by donating tropical agriculture reference books, CUSO by providing a qualified horse Trainer and the French Acte Cooperation Culturelle Technique (ACCT) by providing the salary of Dr. Jean Delion and Paul deVillers during the training of trainers at the PMTC. In close coordination with the PMTC Director, the IHAP-Project Advisor and others, Dr. Delion under government sponsorship over a four-month period prepared the curriculum of the PMTC, as well as that of the trainers, and later carried out a survey of the plantations once again during a period of four-months to find answers to organizational problems affecting plantations, i.e., risks of division, etc., efforts directed towards assisting the PMTC to establish itself on a sound footing.

D. RECOMMENDATIONS

1. Given the fact that the OPC terminates on December 14, 1984, it is recommended that IHAP request SPRDO for an extension of the OPC to April 1985 to allow the current group of nineteen trainees to complete without interruption the training course scheduled to end in March 1985. This recommendation was conveyed to IHAP's Director

of Programs by telephone from Port Vila during the evaluation visit (September 20-27) and again during the evaluation mission debriefing in New York during the week of October 15, 1984. The recommendation was likewise conveyed to SPRDO during the evaluation mission debriefing in Suva during the week of October 5, 1984.

2. In making the above recommendation, due consideration was given to the information contained in the budget analysis sheet (refer Appendix B) which shows that as of October 1, 1984, the total OPG unspent balance amounts to approximately \$121,092.00 of which \$15,402.00 represents the unspent balance of the budget line item "Training Farm Management." It may or may not be necessary to shift funds from various budget line items in order to support the extension recommendation.
3. It is recommended that in the interim (extension period) IHAP undertake the preparation of an OPG with SPRDO's approval calling for an additional period of two years of continued assistance to Vanuatu on the basis of lessons learned and gains made thus far in the development of IHAP's two current OPG's in the country. It is recommended that because of the close linkages, common goal, and the fact that one is the off-shoot of the other, that the two OPG's being developed by IHAP, i.e., "Vanuatu Farm Management Training/Rural Development" and "Assistance in The Revitalization of Vanuatu Agriculture"

be fused into one OPG in order to facilitate administration, monitoring, evaluation, etc. A suggested pathway to achieve the fusion without the need of preparing a new OPG is to incorporate viable and replicable items of the "Vanuatu Management Training/Rural Development" OPG into the "Assistance in the Revitalization of Vanuatu Agriculture", OPG with SPRDO's approval...this in fact would represent an expanded version of the latter OPG which terminates in April 1986.

4. Particular reference is made to the PMTC's "graduate's" performance and productivity in the field once he returns to the plantation under his management. The results of his effort will to a large degree reflect the kind of impact the PMTC training has had on him. It will serve the best interests of the PMTC, in particular, and all those concerned in the preservation of the Plantation Industry as one of the foreign exchange earners, to gauge performance and achievement as well as productivity by carrying out a baseline data survey of the "graduate's" plantation from the beginning point of his tenure and to repeat the exercise on a yearly basis to measure progress and correct deficiencies.
5. Particular reference is made regarding the Staff composition of the Plantation Support Association (PSA). Keeping in line with the concept of self-reliance mandated throughout this OPG, it is recommended that a Ni-Vanuatu person be appointed Deputy General Manager who will work hand-in-hand with the Expatriate General Manager from the beginning of the project and who will replace the latter when the Expatriate's tour of duty is completed. This recommendation calls for a revision of the OPG budget to cover the salary of the Expatriate General Manager, the Ni-Vanuatu Deputy General Manager and the two Ni-Vanuatu Advisor positions which were previously budgeted then deactivated. It also calls for an addendum to the Expatriate General

Manager's job description to the effect that it will be the General Manager's responsibility to carry out an on-the-job training for his Deputy.

II. RURAL COMMUNITY DEVELOPMENT

GENERAL BACKGROUND

A. MISCELLANEOUS DEVELOPMENT PROJECTS

- 1. ACHIEVEMENTS**
- 2. ASSESSMENT**
- 3. RECOMMENDATIONS**

B. NKDT SUB-GRANT

- 1. BACKGROUND**
- 2. ACHIEVEMENTS**
- 3. ASSESSMENT**
- 4. RECOMMENDATIONS**

II. RURAL COMMUNITY DEVELOPMENT

BACKGROUND

The rationale behind this caption is to foster rural development projects by providing financial assistance within the framework of self-help to individuals or group of individuals at the village level. This caption encompasses two sub-headings in its implementation aspects, i.e., (A) Miscellaneous Development Projects and (B) The NKDT Sub-Grant.

A. MISCELLANEOUS DEVELOPMENT PROJECTS

1. ACHIEVEMENTS

Between the period June 1982 and June 1984, a total of thirteen projects (refer to Appendix C) were supported through funds from this OPG under this caption. The breakdown follows:

- (a) Nine projects (VCD001; VCD004 to VCD009; VCD0012; VCD013) received funding support totalling approximately \$22,789.00, funding support ranging between \$4,509.00 and \$62.00 with an average per project equal to approximately \$2,532.00.

Funding support focused on the purchase of materials and supplies for construction, for the installations of a fish aggregating device known as FAD, the purchase of freezers for fish storage, the provision of an "honorarium" for a trainer-carver (VCD007), and the setting up of a Youth Center on the Island of Espiritu Santo.

Counterpart contributions to the nine projects which were mainly in the form of labor, transport, and provision of materials and supplies are estimated to total \$68,836.00.

(b) Support of one project (VCD002) entitled "Kitow Cattle Rotational Grazing Project" was discontinued due to land disputes in the Island of Tanna. Material for this project, consisting of a solar-powered cattle fence costing \$1,052.00, was instead assigned to Port Vila for the Plantation Training Center.

(c) One project (VCD003) entitled "Pentecost Community Aid Posts" encompassed eighteen sub-projects with a total funding support of approximately \$4,510.00. Funding support ranged between \$415.00 and \$716.00 with an average per sub-projects equal to approximately \$250.00. Funding support focused on the purchases of materials and supplies such as wood-preserving oil, lock-up cupboards, cement, guttering, and piping for rain catchment systems, roofing tin, wire nails, and ridge pieces.

Counterpart contribution totalled approximately \$240.00 per sub-project on the average, mainly in the form of labor, transport, materials and supplies.

(d) Two projects (VCD010, VCD011) entitled "Fishing Equipment and Supplies" and "Prototype Canoe", respectively, are each to be managed and implemented by a CUSO volunteer. Both projects are non-operational at the present time due to the unavailability of the CUSO volunteer.

2. ASSESSMENT

(a) For the assessment of these projects due consideration has been given to the guidelines set forth by SPRDO (refer letter to HAP dated October 14, 1982) regarding small self-help interventions:

(i) Projects should demonstrate the benefits which can accrue from a community helping itself.

- (ii) Selected projects should encourage self-reliance within communities in order that the latter may undertake development activities without assistance.
 - (iii) Projects should be of high-impact nature, benefiting the greatest number of people possible in the case of any single activity.
 - (iv) Projects should be directed towards improving basic economics or social conditions at the local community or village level.
 - (v) Projects having only ephemeral utility or value should be avoided.
- (b) In implementing this activity (Miscellaneous Development Projects) under the caption of "Rural Community Development," IHAP has, for the most part, complied with the OPC's objective #2 which mandates that financial development assistance be provided for small, rural projects with "direct funding of small scale sub-projects on the individual, village or community level to improve the quality of life through improvements in social amenities or income generation." IHAP has done well in responding to requests coming from the villagers. This intervention, along with the GIK program, has been a very good point of entry for IHAP in Vanuatu, in gaining credibility and rapport with the Government and the villagers. IHAP has established a good working relationship with indigenous and non-indigenous organizations, particularly with CUSO.
- (c) In responding to the above mandate, the inevitable end result has been a package of projects characterized by their micro size, narrow focus, and geographic dispersion (some in inaccessible areas) which has made servicing these very costly. Taking into consideration such factors as the time and effort exerted by IHAP/Vanuatu in responding to requests for assistance, writing

proposals, site visits, etc., and the time spent in providing backup support, both administrative and technical, by IHAP and SPRDO, by and large the servicing of these projects has been proportionately more costly than the cost of the projects themselves.

- (d) There have been a total of thirty interventions mentioned above under the caption "ACHIEVEMENTS;" thirteen projects, one of which (VCD003 - Pentecost Community Aid Posts) has eighteen sub-projects. All of them except three (VCD007, VCD010, VCD011), have served the primary purpose of infusing materials and supplies to supplement and/or strengthen indigenous on-going projects at the village level, or to provide support in the initiation of new ones by an indigenous agency as in the case of NKDT's Nawelala Water Supply Project (VCD001) on the Island of Espiritu Santo. Though all interventions made thus far have been categorized as "projects" in the OPC, given the nature of the assistance, it would seem more appropriate to consider them as "grants."
- (e) Except for three projects (VCD002, VCD010, VCD011), the rest of the projects numbering ten (refer to Appendix C under "local input") have received funding support from this OPC to the amount of approximately \$27,269.00. It is noteworthy to mention and underscore the fact that the counterpart contributions totalled approximately \$72,896.00, assuming this figure is correct.
- (f) These projects have had a beneficial, catalytic effect upon the villages in achieving their objectives, however, these can only be measured subjectively in most of the projects reviewed. The unavailability of adequate, relevant, baseline data, the before-and-after data base information required to objectively quantify performance, has been a major constraint. An appraisal of

said projects follows:

(1) VCD001 Navelala Water Supply

Project Purpose: To provide clean water to the village
(Island Of of Navelala and a model for future
Espiritu Santo) self-help development in the area.

IHAP Assistance: Provision of materials and supplies.

Appraisal : System functioning and maintained by
the villagers after much frustration
at the start. Benefits a population
of four hundred. It has been
reported that the system is having
a positive effect on water-related
diseases, but this is only an
assumption since the baseline data
is unavailable to demonstrate what
is, and what is not, attributable
to the installation of the system
itself. Too early to say if model
is replicable by other villagers as
the system is costly.

(11) VCD002 Kitow Cattle Rotational Grazing Project

Project Purpose: To use a portable solar-powered
(Island of fence in a very dry area to keep
Tanna) cattle by rotating twenty-five
head of cattle in sixty hectares.
To improve nutrition of 280 house-
holds and provide agricultural
management training to workers
directly involved.

IHAP Assistance: Provision of solar-powered fence.

Appraisal Project was discontinued due to land
disputes as well as transport pro-

blems. Materials and supplies transferred to the Plantation Training Center in Port Vila reflects good judgement.

(iii) VCD003 Pentecost Community Aid (Health) Posts

As stated previously there are eighteen sub-projects under this heading with a common purpose.

Purpose of Project: To improve curative and preventive health care for all villagers; especially mothers and children.

IHAP Assistance: Provision of materials and supplies for the improvement of the physical plant, i.e., health post.

Appraisal : The Community Aid (Health) Posts serving a total population of approximately five thousand six hundred are reported to be functioning well. IHAP assistance has contributed to the improvement of social conditions in the community though this is not directly related to the project purpose which is aimed at improving the health of mothers and children in the area.

(iv) VCD004 Tafea District Health Workers Training Supplies

Project Purpose: To provide training materials from the Hesperian Foundation for the training course of community health workers for the long term goal of improving health care at the village level.

IHAP Assistance: Provision of financial support for the shipment of training materials from Hesperian Foundation.

Appraisal : IHAP assistance has had a direct effect of delivering the materials on site, but a remote effect, if any, on the long-term goal of the improvement of health care at the village level.

(v) VCD005 La Source Plantation Horse and Cart Training

Project Purpose: Immediate purpose of developing the best cart for local conditions, with the long-term goal of making work horses and carts a workable alternative for Ni-Vanuatu who cannot afford trucks.

IHAP Assistance: Support for training and provision of materials and supplies.

Appraisal : IHAP assistance is directly related to project purpose and managed properly by well-motivated and responsible people. Established linkages with the Plantation Training Center Trainees and the Plantation Support Association

is very advantageous. To date, three carts have been produced, four horses trained, six ni-Vanuatu trained, new building stock purchased. Orders for three more carts have been received as of September 1984.

(vi) VCD006 Melsissi, Pentecost, Fish Aggregating Device (FAI

Project Purpose: To fund and install FAD while the CUSO trainer is available, get improved catch rates and encourage others to continue...with the long term goal of stimulating the island economy.

IHAP Assistance: Provision of materials and supplies for the installation of FAD.

Appraisal : FAD just recently installed during the period April 15, 1984 and July 15, 1984 takes three months for fish to aggregate. Baseline data relative to catch rates prior to the installation of FAD are in the possession of the CUSO trainer and the Fisheries Department and therefore unavailable for review at this time. It is much too early to make comparative assessments of the before-and-after performance rates of FAD at the present time. Good potential for replicability if successful.

(vii) VCD007 Euta Village Training Center, Carver's Training

Project Purpose: To provide local training for carver and woodworkers at the Euta Center with a long-term goal of the Center raising funds and being able to service itself.

IHAP Assistance: Provision of a "honorarium/salary" to cover the expenditures for two months of a Trainer-Carver at the Euta Center.

Appraisal : IHAP assistance is not entirely in conformity to OPG objective #2, since it does not call for financial support for personal services at the local level. Data is not available to judge trainer-carver performance and end-product of his training program.

(viii) VCD008 Vau Island Fisheries' Freezer

Project Purpose: To provide freezer and encourage business improvements in Vau project in turn promoting nutrition, stemming a bit of urban drift and provide a self-help model for the area.

IHAP Assistance: Provision of freezer.

Appraisal The project purpose has been achieved insofar as the provision of the freezer is concerned, but the magnitude of the benefit to the business,

the effect on urban drift and promoting improved nutrition in the area, is difficult to quantify due to unavailability of relevant baseline data.

(ix) VCD009 Remre Fish Aggregating Device

Project Purpose: To provide increased catches for Port Orly and other villages, increasing to enter the market for yellow fin tuna and participate with the Japanese in the specialized market.

IHAP Assistance: Provision of materials and supplies for the installation of FAD.

Appraisal : FAD, just recently installed during the period April 15 and July 15, 1984, takes three months for fish to aggregate. Catch records prior to the installation of FAD are in the possession of the CUSO trainer and the Fisheries Department and are therefore unavailable for review at this time. However, it is reported that catches as high as two tons have been made during exceptionally good weather conditions. It is too early to make comparative assessments of the before-and-after performance rates of FAD at the present time. Good potential for replicability if successful.

(x) VCD010 Village Fishing Equipment and Supplies Project

Project Purpose: To provide access to supplies because of trading and transport problems which are severe in some parts of Vanuatu with the long range goal of exposing some families to better and increased participation in the cash economy and to improve protein levels in villager's diets.

IHAP Assistance: Provision of materials and supplies for fishing purposes.

Appraisal : The CUSO volunteer who is to manage and implement this project is currently on leave and therefore the project is not operational. This project is essentially a buy-and-sell process with IHAP purchasing the materials and the CUSO volunteer doing the selling to the villagers at cost with the money reverting to IHAP at some point. Concept of self-help not fully established in this project since funds are channeled to an expatriate rather than to an indigenous group. ✓

(xi) VCD011 Prototype Canoe Project

Project Purpose: To introduce appropriate technology by developing a special large canoe that island families and groups can afford to buy and run much more cheaply and carry good-sized cargo for long distances with the long term goal of having the villagers

imitating it and solving some of their transport problems.

IHAP Assistance: Provision of materials and supplies as well as covering all labor costs.

Appraisal

The CUSO volunteer who is to manage and implement this project is currently on leave and therefore the project is not operational. This project essentially means that CUSO volunteer will build the canoe with local labor and IHAP will pay all expenses including labor costs. Should the canoe not be sold by the time the CUSO volunteer completes his tour of duty the canoe reverts back to IHAP. The concept of self-help is not fully established since funds are channeled to an expatriate rather than an indigenous group.

(xii) VCD012 Santo Youth Project

Project Purpose: To provide assistance for the completion of the construction of Santo Community Center for Youth; promotion and strengthening of youth activities.

IHAP Assistance: Provision of materials and supplies.

Appraisal

Project completed successfully. The Center was the focal point for the recent National Games held in Santo. Good potential for replicability.

(xiii) VCD013 Wuro, Ambrym Community Fishing Project

Project Purpose: To provide the village group with fish storage capability.

IHAP Assistance: Provision of freezer.

Appraisal : Purpose achieved but no before-and-after baseline data is available for comparative analysis to measure the impact of the assistance provided.

3. RECOMMENDATIONS

(a) Despite the drawbacks encountered in the development of this concept, positive results have been obtained and continued support is recommended, but in a scaled down fashion* This recommendation is in line with actions taken by IHAP in December 1983, with SPRDO's approval. IHAP shifted priorities by reducing the budget allotment for "Rural Development Projects" from \$78,000.00 (\$42,000.00 allotment for Miscellaneous Projects and \$36,000.00 for the NKDT Sub-grant) to \$44,000.00 (\$32,000.00 for Miscellaneous Projects and \$12,000.00 for the NKDT Sub-grant) in favor of establishing a new budget line item entitled "Village Entrepreneur Training" budgeted at \$65,460.00.

(b) It is recommended that rather than limiting support to provision of materials and supplies to on-going projects, that attempts be made to design interventions which are broad-based and comprehensive and are to be an integral part of the community development scheme more directly. With this in mind project objectives as well as those activities which are to be carried out to achieve them should be defined not only in qualitative, but more so in quantitative terms in order to facilitate adequate monitoring and evaluation of project performance. In addition to ancillary information required to put the project in perspective, baseline data (the before-and-after data information) should primarily be relevant to the

*in favor of larger projects.

project purpose.

- (c) It is recommended that OPG support be channeled directly to indigenous recipients and/or organizations if the self-help concept is to be adhered to; technical back-up support, if necessary, should be provided by IHAP directly or in coordination with locally available expertise whether national, as in the case of NKDT, or international, as in the case of CUSO.

B. NKDT SUB-GRANT

1. BACKGROUND

- (a) The National Komuniti Development Trust (NKDT), formerly known as the "New Hebrides Development Trust" of pre-independence days, is an indigenous, non-governmental organization which began operations in March 1980 through technical assistance provided by the Foundation for the Peoples of the South Pacific (FSP), and funding assistance for infra-structure support from PACT.
- (b) Working in conjunction with communities through appropriate economic and social development technology aimed at achieving self-reliance for the islands, NKDT's objectives have been outlined as follows:
 - (i) Identify and attend to priorities in development planning;
 - (ii) Maintain standards in development planning;
 - (iii) Upgrade and coordinate efforts in development planning through national cooperation and collaboration;
 - (iv) Assist local groups and provide technical assistance;
 - (v) Negotiate aid funds for development projects.

- (c) An evaluation of NKDT's activities covering the period April 1981 to April 1982 was carried out by the Foundation for the Peoples of the South Pacific which concluded that "NKDT has made remarkable progress over the last twelve months. The Trustees have grown in understanding of their role. the staff is of high quality. NKDT is widely recognized as a vital instrument in the rural development of Vanuatu."
- (d) It should be noted that the founding members of the Trust are all Ni-Vanuatu and that one of them is Fr. Walter Lini, the current Prime Minister of the Republic of Vanuatu. the Prime Minister continues to be a member of the Board of Trustees at this point in time.
- (e) From its inception to date, NKDT developed a number of projects in a very short period of time through funds obtained readily from overseas sources, i.e., UNICEF, Community Aid Abroad, Australia, ICCO, Holland, IHAP, etc. The projects are of two types: a grant (non-recoverable) program directed to provide assistance to the community as a whole and a loan (recoverable) program directed to assist families or individuals initiate small village-level businesses. ✓
- (f) In August 11, 1982 under the caption of "Rural Community Development," IHAP introduced with the approval of SPRDO a new budget line item entitled NKDT Sub-grant totalling \$36,000.00, of which the sum of \$12,000.00 was channeled to NKDT to supplement NKDT's Revolving Loan Fund. ✓
- (g) In December 1983, IHAP with the approval of SPRDO reduced the budget allotment of the NKDT Sub-grant from \$36,000.00 to \$12,000.00 in favor of establishing a new budget line item entitled "Village Entrepreneur Training" budgeted at \$65,460.00.

- (h) On June 21, 1982 an agreement was signed between IHAP and NKDT regarding the Revolving Loan Fund; the salient features of which are the following:
- (i) Purpose ---"to supplement the financial resources of NKDT for its revolving loan fund to finance small scale business enterprises by the people of Vanuatu at the village level.
 - (ii) Maximum amount of loan: Vt 30,000 (approx. \$300.00)
 - (iii) Maximum repayment terms: one and a half years (eight months) with at least thirty days of grace period during which the repayment of the capital and interest will not be made.
 - (iv) Administrative costs may be charged at 6% (six) per annum or less.
 - (v) The NKDT will guarantee an annual audit at its own expense the Loan Fund provided by IHAP by a certified public accountant and will provide IHAP with five (5) copies of the annual audit report.
 - (vi) Under no circumstances may the NKDT charge its administrative costs to the Fund provided by IHAP or to the principal repaid by the beneficiaries even when they have failed to pay the interest.
 - (i) In September 7, 1983 IHAP signed an agreement with NKDT authorizing the latter to charge 30% (thirty) of each loan made from the IHAP Loan Fund to cover NKDT's administrative costs (cost of travel to loan holder, office work, salaries, etc.) with effectivity date set retroactively to June 1983).

(j) NKDT funding assistance for infra-structure support from PACT ended in 1983. At this point in time, NKDT began its search for other funding sources to supplant the loss of PACT's assistance.

(k) For the period 1979 to September 30, 1984, the following table illustrates the four Donor Participants and/or Contributors to NKDT's Revolving Loan Fund Pool and the allocations made by each Agency (refer to Appendix D):

| | | | <u>Σ</u> |
|----------------------------|--------------------|--|---------------|
| (i) C.O.R.S.O./New Zealand | Vt 267,122 | <u>approx.</u> \$2,671 | 16.3% |
| (ii) C.A.A./Australia | Vt.181,000 | <u>approx.</u> \$1,810 | 11.0% |
| (iii) I.H.A.P./U.S.A. | Vt 907,500 | <u>approx.</u> \$9,075 | 55.3% |
| (iv) A.F.F.H.C./Australia | Vt 286,050 | <u>approx.</u> \$2,860 | 17.4% |
| | <u>Grand Total</u> | <u>Vt 1,641,672</u> <u>approx.</u> <u>\$16,416</u> | <u>100.0%</u> |

(l) Recently, NKDT has called for a "several months" moratorium on the loans program in order to carry out a detailed survey and evaluation. The loan program will be resumed upon completion of the survey. While the evaluation exercise is in progress the loans account will be used only to accept loan repayments. ✓

2. ACHIEVEMENTS

(a) The first loan provided by NKDT with IHAP's Revolving Loan Fund assistance was in August 3, 1982 to Mrs. Enid Dore of Wiana Village, Emau for a "baking business supplies" project. The loan was for \$37.00. From this point on to a cut-off date of September 30, 1984, a total of forty-three loans amounting to Vt 894,221.00 or approx. \$8,942.00 have been made (refer to Appendix E).

- (b) Most of the loans made were for poultry, piggery and fisheries projects. Some loans were for planting projects, cattle fencing, bakeries, materials for joinery shop, etc.

3. ASSESSMENT

(a) In implementing this activity (NKDT Sub-grant) under the caption of "Rural Community Development" IHAP has fully complied with the OPG's objective #2 which mandates that financial development assistance be provided for small rural projects with "limited-scale block funding to the New Hebrides Development Trust for direct injection into rural development or for use as a revolving fund".

(b) An appraisal of the information contained in Appendix reveal the following:

(i) Of the four Donor Participants or Contributors to the NKDT Revolving Loan Fund, IHAP is the major contributor as shown in the table under the caption of Background Item #11.

(ii) Of the four Donor Participants, IHAP appears to be the only Agency from whose Revolving Loan Fund NKDT draws a 30% surcharge for each loan made (applied directly to the IHAP Fund itself) in order to cover NKDT's administrative costs, in addition to the 6% interest charge per annum to the small loan holder. ✓

This arrangement, which is a modification of the original agreement between IHAP and NKDT entered into in June 21, 1982 (refer Item (h) para (vi) under the caption of NKDT Sub-grant Background), appears to be the result of IHAP's desire to assist NKDT to meet part of its administrative costs

previously supported by the PACT grant which ended in 1983. It is important to point out, however, that such an arrangement produces (1) a reduction of the total amount allotted for small holder loans by 30% and (2) a negative effect on IHAP's Revolving Loan Fund which if allowed to continue will eventually bring about its depletion. ✓

(iii) NKDT reports that IHAP's Revolving Loan Fund allocation totalled Vt 1,173,000.00 (approx. \$11,730.00) of which the amount of Vt 894,221.00 (approx. \$8,942.21) had been paid out to a total of forty-three loans as of the end of September 1984. Fifteen loans amounting to Vt 279,517.00 (approx. \$2,795.17) out of the forty-three became due at various stages between August 3, 1984 and the second half of October 1984. An analysis of their (fifteen loans) performance shows a return flow of 37.6% as follows:

A. No payment at all from the loan holder

| | <u>LOAN</u> | <u>PAYMENT</u> |
|------------------------------|---------------------|----------------|
| 1. Malaliu Piggery Project | Vt 27,600.00 | --- |
| 2. Preskarus Piggery Project | Vt 13,620.00 | --- |
| 3. Kayve Cattle Project | Vt 26,440.00 | --- |
| 4. Garae Joinery Shop | Vt 30,597.00 | --- |
| <u>Sub-Total</u> | <u>Vt 98,257.00</u> | --- |

B. In arrears up to September 30, 1984

| | <u>LOAN</u> | <u>PAYMENT</u> |
|-----------------------------|----------------------|------------------|
| 1. Poultry Project (Lelepa) | Vt 17,552.00 | Vt 6,210 |
| 2. Lemap Fishery Project | Vt 11,900.00 | Vt 1,080 |
| 3. Vanualava Piggery | Vt 15,250.00 | Vt 4,860 |
| 4. Sabwai Bakery Project | Vt 29,984.00 | Vt 15,000 |
| 5. Tabeva Cattle Project | Vt 24,424.00 | Vt 4,576 |
| 6. Roy Piggery Project | Vt 22,360.00 | Vt 10,000 |
| <u>Sub-Total</u> | <u>Vt 121,470.00</u> | <u>Vt 41,726</u> |

C. Completed loan Payment

| | | |
|--------------------------------------|----------------------|-------------------|
| 1. Torson Poultry | Vt 17,112.00 | Vt 18,139 |
| 2. Ineth Cake Bakery | Vt 3,558.00 | Vt 3,771 |
| 3. Hole Piggery Project | Vt 17,220.00 | Vt 18,253 |
| 4. Bread Oven | Vt 4,200.00 | Vt 4,452 |
| 5. Takau Fishery Project | Vt 17,700.00 | Vt 18,762 |
| <u>Sub-Total</u> | <u>Vt 59,790.00</u> | <u>Vt 63,377</u> |
| <u>Grand Total</u> | <u>Vt 179,517.00</u> | <u>Vt 105,103</u> |
| <u>Percentage Return Flow: 37.62</u> | | |

(c) One of NEDT's constraints in the implementation of the Revolving Loan Fund is the method of collection of loan payments in the rural areas. Collection is carried out by NEDT's Field Officers who travel around providing technical assistance to projects and, at the same time, collecting loan payments from loan holders who have no way of sending their money to Port Vila since there are no banks in the rural areas.

- (d) It is noted that NKDT has not provided IHAP with an annual audit report of the Revolving Loan Fund operation from its inception in June 21, 1982 to the present (September 30, 1984) as stipulated in the agreement between IHAP and NKDT. ✓

4. RECOMMENDATIONS

- (a) If IHAP's Revolving Loan Fund with NKDT is to stay viable, it is recommended that because of its negative effect NKDT discontinue the practice of having a 30% surcharge on the Loan fund in order to cover administrative costs. It is essential that NKDT revert back to the original agreement with IHAP which states that "under no circumstances may the NKDT charge its administrative costs to the Fund provided by IHAP or to the principal repaid by the beneficiaries even when they have failed to pay the interest". While it is understandable that IHAP carried out a modification of the original agreement in an effort to buffer the vacuum created by the ending of the PACT grant, the continuance of this arrangement by all estimates would not be beneficial to either party at long term. ✓
- (b) Instead, it is recommended that IHAP assist NKDT technically and financially in drafting a plan of action for implementation aimed at making NKDT become a self-reliant organization through the development of a systematic approach to the private sector in Port Vila and elsewhere in Vanuatu for fundraising purposes. NKDT has a name, a long list of accomplishments, a well-respected Board of Trustees and a very good rapport with the Government. In line with the concept of self-help, a point of concern is that NKDT has no in-country financial base from local contributions to at least support its administrative infra-structure.

- (c) It is recommended that NKDT carry out the long overdue audit of IHAP's Revolving Loan Fund as stipulated in the original agreement between IHAP and NKDT.
- (d) Unlike the NKDT Revolving Loan Fund arrangement, the evaluation mission concurs with IHAP's recommendation to NKDT to the effect that a certain percentage (not defined as yet) be charged to Project Grants to cover NKDT's administrative costs.

III. WOMEN IN DEVELOPMENT (WID)

- A. BACKGROUND**
- B. ACHIEVEMENTS**
- C. ASSESSMENT**
- D. RECOMMENDATIONS**

III. WOMEN IN DEVELOPMENT (WID)

A. BACKGROUND

The rationale behind this project component is to provide financial assistance for the development of activities which will promote awareness, participation, and advancement of women in society.

B. ACHIEVEMENTS

Between the period June 1982 to October 1984 a total of twenty-two projects (refer to Appendix F) were supported through funds from this OPG for this project component. The breakdown follows:

1. Ten projects (VWID001 to VWID008; VWID010 and VWID011) received funding support totalling approximately \$1,951.00. Funding support ranged between \$7.00 and \$770.00 with an average per project equal to approximately \$195.00.

Funding support focused on the purchase of materials and supplies for construction, gardening, sewing, cupboards, water-seal laterines, stove building etc., for ten Women's Clubhouses under the guidance of the Dominican Sisters of the Walarano Mission in Pentecost Island.

Counterpart contribution has been mainly in the form of labor, transport, materials and supplies totalled approximately \$1,896.00.

2. Three projects (VWID009; VWID012; VWID015) received funding support for Womens' Training Programs totalling approximately \$1,754.00.

Funding support focused mainly in the provision of materials and supplies.

Counterpart contribution to the three projects totalled approximately \$5,903.00.

3. Three projects (VWID013; VWID020; VWID021) received funding support for Women's Workshops overseas (two in Papua New Guinea and one in Samoa) totalling approximately \$5,232.00.

Funding support focused on travel expenditures, etc., at an average per project equal to \$1,744.00.

4. Three projects (VWID017 to VWID019) received funding support totalling approximately \$4,041.00 for Women's Workshops to be carried out in the Islands of Tanna, Paama and Pentecost.

Counterpart contributions totalled approximately \$900.00.

5. One project (VWID014) received funding support for the construction of a Women's Clubhouse totalling approximately \$185.00 mainly in the form of materials and supplies.

Counterpart contribution is estimated to be approximately \$300.00.

6. One project (VWID016) received funding support totalling approximately \$2,094 for materials and supplies for boat construction purposes with a counterpart contribution totalling approximately \$400.00.

7. One project (VWID022) received funding support totalling approximately \$2,500.00 for a Women's Agricultural Workshop in Port Vila, with a counterpart contribution still pending.

C. ASSESSMENT

1. For the assessment of these projects, due consideration has been given to the guidelines set forth by SPRDO as mentioned previously under the caption "Rural Development Projects" sub-heading ASSESSMENT.
2. In implementing this project component, "Women in Development," IDAP has complied with the OPC's objective #1 which mandates that the activity will be concerned directly or indirectly with training. And, that it will assist in the

development of skills for family improvement (cooking, sewing, gardening, first aid, hygiene and child care), as well as advancement by encouraging women to participate in community and national activities.

3. In the implementation of this mandate, IHAP has responded in the best possible manner to requests coming from the villagers. Resources were channeled directly to indigenous recipients and/or groups. Results obtained in the development of the WID concept have been identical to those obtained in the development of the OPG's objective #2, "Rural Community Development" sub-project (A) "Miscellaneous Development Projects."

In summary the results have been the following:

- (a) The inevitable end-result of developing the small scale interventions at the village level has been a package of projects characterized by their micro size, narrow focus, geographic dispersion and costly servicing.
 - (b) Projects have had a definitive beneficial, catalytic effect upon the villages. However, these effects are measurable subjectively rather than objectively. A major constraint has been the unavailability of relevant baseline data, the before-and-after information required to objectively quantify performance.
4. Except for three projects (VWID020; VWID021; VWID022) which do not have a dollar value for the counterpart contribution made (refer to Appendix under "local input"), the rest numbering nineteen have received funding support from this OPG totalling approximately \$10,551.00.

It is noteworthy to mention that the counterpart contribution totalled approximately \$10,087 which is almost a one-to-one match, assuming this figure is correct.

D. RECOMMENDATIONS

1. Positive results have been obtained despite the drawbacks encountered in the development of the small-scale project concept. Continued support is recommended but in a scaled-down fashion in favor of larger projects but not the size of the VEP. This recommendation is in concurrence with actions taken by IHAP in this regard. As mentioned previously, IHAP shifted priorities by reducing and thus scaling-down the budget allotment for the budget line item "Women in Development" from \$33,000 to \$21,000.00 in favor of establishing a new budget line item entitled "Village Entrepreneur Training" budgeted for \$65,460.00 (refer to Appendix B).
2. An attempt should be made to design interventions which are broad-based, comprehensive, and an integral part of the community development scheme more directly, rather than limiting support to provision of materials and supplies to on-going projects. Project objectives, as well as the activities that need to be carried out to achieve them, should be clearly defined in quantitative terms to allow for better monitoring and appraisal of project performance. Baseline data should be relevant to project purpose.

**IV. VILLAGE ENTREPREUNER TRAINING
OR
VILLAGE SMALL BUSINESS
OR
"VILEJ SMOL BIZNIS"**

- A. BACKGROUND**
- B. ACHIEVEMENTS**
- C. ASSESSMENT**
- D. RECOMMENDATIONS**

IV. VILLAGE ENTREPRENEUR TRAINING (VEP)

A. BACKGROUND

1. Major entities in Vanuatu that contribute to the goal of improving the country's economy by providing assistance to entrepreneurs and businesses both large and small are the following:

(a) Development Bank

Through a network of seven agents in rural areas assistance to entrepreneurs is provided in the preparation of projects, and studies the granting and follow-up of loans. In the performance of their duties, these agents do not have the time nor the training to train loan recipients in basic accounting or to follow-up results of management. The Development Bank Director has expressed interest in IHAP's VEP project and reiterated the interest during the evaluation mission visit. The bank's agents have collaborated with IHAP in the selection of entrepreneurs in need of training.

(b) NKDT Loans

NKDT staff who follow-up on the NKDT Loan Program are at the same functional level as the Development Bank Agents.

(c) Cooperative Department

The Department is interested in providing assistance to small business groups even if these groups are not organized in a traditional manner by offering them basic training in accounting. Many family groups or small village groups request assistance from cooperatives when first established. The assistance provided to coops directed towards groups running small businesses has not as yet become a specific program. The VEP would serve a larger range of entrepreneurs than the Department with their program.

(d) Industry Department of the Ministry of Finance

The Department is involved in providing assistance in the improvement of small and medium businesses, extension services and price controls. In the area of extension services, the accountants will be expected to assist officers in accounting procedures and these officers in turn will provide guidance to entrepreneurs. However, the officers will provide said assistance at a higher level and will be involved in larger projects and not have the time to train entrepreneurs on site at the village.

(e) Social Development Department

The Department is responsible for adult vocational training and recognizes the importance of economics. Four Seminars have been carried out by the Department to encourage village people, particularly women, to run their own business and they would like to see the work continued but do not have a budget to do it. IHAP suggested to the Department the secondment to the VEP one of the ladies trained in the USP Tonga Business Management Course for Hands-On Training and to gain the experience for a period of one year with costs covered by the VEP and to return to her post after that thus contributing to the VEP's secondary objective.

(f) IHAP's rationale behind the development of this OPG component rests upon the thought "that the development of the private sector and free markets in the Third World are the least understood and yet the most important aspects of the development process. Furthermore, within the private sector context, aid agencies have tended to focus on the development of agricultural markets and export markets, almost totally neglecting small non-farm entrepreneurial activity, which historically has not only been the cutting edge of the development process but often is the missing link in agricultural and export activities."

(g) Essentially, this OPG component is intended to foster small business development in the rural areas through training of entrepreneurs at the village site, the salient features of which are the following:

(i) IHAP is to direct, manage and implement the project as a pilot training project responsive to an Advisory Board of national entities such as the Development Bank, Department of Industry, Cooperatives Department, Social Development/Women's Interests Section and NKDT, the goal being the institutionalization of the project at some stage.

(ii) The VEP Project Document outlines a primary and secondary objective of which the former is to be developed first and the latter at some future unspecified date

Primary objective: "to consolidate and develop small rural entrepreneurs and to raise the consciousness of rural people regarding commerce, accounts management and enterprise."

Secondary objective: "to assist the extension people working in rural areas--generally the technicians or social activities leaders--to become more aware of rural economics and the management side of rural development."

(iii) Project implementation is characterized by three phases:

(a) Preparation of program and commercial tools with relevant government departments and advice of village entrepreneurs as well as assistance from a training consultant in the preparation of the commercial tools.

- (b) Selection of a staff of Ni-Vanuatu Advisors (six) who must be trained in the use of commercial tools and working with community groups.
 - (c) Selection of entrepreneurs and their training by Ni-Vanuatu staff. Each training cycle would involve one trainer with three to five small enterprises for approximately eight weeks.
 - (d) A minimum of sixty primary, direct beneficiaries are expected to be covered during the pilot program timeframe.
- (iv) Time Frame (January to December 1984) encompasses the following:
- (a) three weeks course preparation to identify six Ni-Vanuatu staff for training purposes as well as village entrepreneurs.
 - (b) eight weeks intensive training of Ni-Vanuatu staff including one week stay in a village with the Expatriate Trainer for the purpose of modeling training methods, followed by evaluation and adaptation of materials being developed for village use.
 - (c) three cycles of eight weeks each with each Ni-Vanuatu staff closely following two to five entrepreneurs. Each cycle is to be followed by a week of evaluation and adaptation session with all the Ni-Vanuatu Staff and IIAF Administrator/Trainer. One session each time with the Advisory Committee.
 - (d) after three village cycles there should be a grand evaluation.
 - (e) project tentatively scheduled to reach stage (d) in December '84.

(v) In December 1983, IHAP with SPRDO's approval established a new budget line item in the OPG entitled, "Village Entrepreneur Training" with a budget allotment of \$65,460.00 which was carried out by shifting funds from three OPG components namely, "Rural Community Development," "Women in Development" and "Training-Farm Management (PMTG/FHTC)". The adjustment did not alter the OPG total which remained unchanged at \$498,915.00.

(vi) On February 1, 1984, IHAP revised the project document and indicated a budget reduction of the VEP from \$65,460.00 to \$60,976.00 with the following breakdown:

| | | |
|---|--------------------|------------|
| | | <u>₳</u> |
| (a) Expatriate Consultant Trainer | \$19,600.00 | 32.1 |
| (b) Management Trainers/ Advisors (all Ni-Vanuatu) | \$35,040.00 | 57.5 |
| (c) Training of Trainers Session | \$ 4,256.00 | 7.0 |
| (d) Related Administrative Costs | <u>\$ 2,080.00</u> | <u>3.4</u> |
| TOTAL | \$60,976.00 | 100.0 |

(vii) During the first week of July 1984, IHAP's Project Advisor attended an intensive training session in classical economics including curriculum design in New Caledonia with Dr. Jean Delion of AFCA/SIPCA. During this period the Project Advisor had the opportunity to observe a program similar to the VEP being carried out in the rural areas of New Caledonia for adaptation in Vanuatu.

B. ACHIEVEMENTS

1. IHAP engaged the services of an Expatriate Consultant, Dr. Jean Delion who, in close coordination with IHAP's Project Advisor, formulated a comprehensive plan of action for the VEP including the preparation of a detailed "commercial training tools" specially designed for rural people as well as a training program for the Ni-Vanuatu Training Staff attached to the VEP. Dr. Delion carried out this task in Port Vila. He is based in New Caledonia with AFCA/SIPCA.
2. The five Ni-Vanuatu Staff recruited by IHAP for the VEP have been posted to cover the following geographic areas: one for the Island of Espiritu Santo; two for Malekula; one for Efate and one for Tanna. These five completed an intensive training program during July and August under the direction of an Expatriate Consultant, Mr. Xavier Merle, who traveled to Port Vila for the occasion. Mr. Merle is based in Papeete with AFODEP, an off-shoot of AFCA/SIPCA.
3. In accordance with the VEP Workplan, the first training model for village entrepreneurs was carried out in Eton Village, East Efate with all the VEP Ni-Vanuatu Training Staff in attendance. Participating entrepreneurs included a village restaurant, three stores, a truck transport service and a "collapsed" women's business project for transporting vegetables. IHAP's Project Advisor reported that for the quarter ending October 1984, a total of fifty-three micro-entrepreneurs have been serviced by the VEP.
4. During the quarter ending in April 15, 1984, IHAP's Project Advisor undertook an informal survey, in a section of the Island of Tanna, of the type of enterprises who would potentially receive assistance under the VEP Program. Preliminary results revealed the following:
 - (a) the average level of assets was \$500.00 to \$5,000.00.

- (b) average number of employees, three, using the extensive family concept.
 - (c) every enterprise consulted found recordkeeping a problem, if they kept accounts at all.
 - (d) almost all surveyed who produced a product had problems with expensive and irregular transport.
 - (e) several expressed problems with finding markets for their products.
 - (f) a few enterprises, in imitation of successful neighbors, are producing in excess of what the market will absorb.
 - (g) tourism-related projects seem to have problems with presentation.
 - (h) a majority of enterprises surveyed, although realizing they need outside advice, were either uncomfortable in seeking advice from "big men" or simply did not know who to go to or who to deem responsible.
 - (i) of all the enterprises surveyed, all were eager to receive advice from VEP and pay for it even if the advice only covered recordkeeping.
5. During September 17 to the 22nd, 1984, in accordance with the VEP Workplan, an Evaluation-Research Session No. 1 was carried out in Port Vila by the Expatriate Consultant, Dr. Delion with the five Ni-Vanuatu Training Staff in attendance.

The exercise covered a broad spectrum of activities carried out thus far by the Ni-Vanuatu Staff; the analysis of which was undertaken in groups as well as in individual sessions with the Expatriate Consultant. Throughout the exercise emphasis was on the Ni-Vanuatu Staff acting as Trainers in their rural thrust rather than Advisors --- "their work is to show the entrepreneurs an account system and how to use it, so that after 3-6 months the numbers will start to speak to the entrepreneurs and help them make management

decisions. The staff are only to show a 'road' not to make decisions."

C. ASSESSMENT

1. Due to circumstances beyond IHAP's control, the recruitment of an American Expatriate Consultant Trainer did not materialize. This shortened the lifespan of the project by three to four months and occasioned inevitable delays in the implementation of the various activities stated in the time-frame which projected the completion of three village training cycles by December 1984, whereas, by September 1984, it was only possible to have completed one cycle. However, despite the delays, real progress in the implementation of this OPG component has been achieved as outlined under the caption of "ACHIEVEMENTS." The technical assistance provided by the IHAP-hired French Expatriate Consultant in close coordination with IHAP's Project Advisor resulted in the introduction of appropriate technology and in accomplishing what was achieved during the development phase of this project including the good working relationship established with the Advisory Board of national entities, and the Vanuatu Chamber of Commerce under whose roof IHAP's Ni-Vanuatu Staff were trained.
2. Having been developed by IHAP as a pilot project initially steps are now being taken after the experience gained thus far to explore ways and means to anchor the project to an indigenous organization. Two constraints which ought to be considered, reviewed and adjusted in the attempt to institutionalize the project is the cost of the project itself which calls for a first year budget of approximately \$59,376.00 excluding travel allowance earmarked for IHAP's Project Advisor and the uncertainty of an indigenous organization being willing and able to absorb the VEP project in its entirety including the IHAP-trained-Ni-Vanuatu staff and do all these within the frame work of self-reliance, which means supporting the project with their own funds after assistance from the OPG runs out.

3. It is noted that IHAP's initial intent with the VEP as spelled out by IHAP's Project Advisor in the Quarterly Report Ending October 15, 1983, which IHAP was unable to pursue fully, contained the following highlights:

- (a) The VEP Project "will be a private training organization funded by IHAP and under the wing of the Social Development Office of the Ministry of Education. The Social Development Office is responsible for all vocational training and expects to give VEP a physical home. Our contact is the Director of the Department, Mr. Hannington Alatoa. The women's interest section of the Department expects to be able to second one of their officers to VEP. We also expect to work in parallel with the Department of Cooperative Education and form a complete cash/management system. The secretaries of Rotary and Kiwanis have been approached and are interested in discussing future funding initiatives."
- (b) "Once the staff is recruited, Delion is prepared to give them a very specific and intensive course in New Caledonia during the month of January in evaluating whether a business is really winning or losing money. We have a series of existing projects to be used as case studies and would be able to board the staff at the O.D.I.L. Training Center. We would then commence touring here in Vanuatu."
- (c) "In the case of VEP implementation, it is expected that the IHAP Advisor will be in the field with the staff nearly continuously with the exception of PTC and PSA work. Fortunately, the present administrative assistant, Mrs. Rebecca George is proving extremely able and will be responsible for the day-to-day running of the office."

4. An appraisal of the above item (3) is as follows:

- (a) the intent to anchor the VEP to an indigenous organization is a good one and in line with the self-help concept. Although this intent did not materialize, it is currently being pursued...with other indigenous organizations.

- (b) the intent to establish linkages and coordination with other indigenous organizations plus the intent to search for funding sources (Kiwanis, Rotary) is very sound. The first part of this intent materialized, the second part is being pursued.
 - (c) the intent to train Ni-Vanuatu staff in New Caledonia under the direction of Dr. Jean Delion is a good one. This intent did not materialize but is being pursued. The IHAP Project Advisor who undertook the trip instead for training and visitation purposes to similar projects set the stage for future training of the Ni-Vanuatu staff.
 - (d) the intent to recruit Ni-Vanuatu staff to become Trainers when there is no assurance that they would be employed once the institutionalization of the VEP with an indigenous organization took place is a point of concern.
5. It is far too early to measure performance and achievement of the target population (village entrepreneurs) with the eight measurable indicators outlined in the VEP project document.
6. While a number of national entities converge towards helping small business at various levels, as noted from the information contained under the caption of "BACKGROUND" IHAP should be commended for bringing into focus with the VEP the need to foster development at the very grassroots.

D. RECOMMENDATIONS

1. For the reason that IHAP should maintain its role as catalyst or catalyzer... hastening the development process without itself being consumed in it... it is recommended that with the gains made thus far, that the VEP be anchored as a pilot project with continued OPG support, to a viable indigenous organization in line with the concept of self-help mandated throughout

this OPG. The transfer of authority from IHAP to an indigenous organization will enable the former to gauge the performance of the latter which in itself should be part of the pilot process. Unless the transfer to an indigenous organization is made there is no way to ascertain whether or not IHAP's initial success with the VEP is transferable.

2. Anchoring the VEP to an indigenous organization will entail restructuring and redesigning the project in its entirety without the need of altering the technical program which was specially designed for adaptation to the Melanesian culture. The redesigned VEP Project should continue to focus on the primary objective, and should utilize the secondary objective as the instrument to achieve it.
3. In exploring the feasibility of institutionalizing the VEP with the Chamber of Commerce of Vanuatu, and judging from the kind of positive response obtained during the discussions with them (Evaluator made two visits with the chamber in company of IHAP's Project Advisor), it is recommended that IHAP pursue the matter in more detail. Establishing a "small business training unit" in the Chamber of Commerce, funded by IHAP through this OPG, contingent upon the Chamber supporting the unit after one or two years, would be a good approach for the promotion of small business development in Vanuatu...and a potentially replicable model for IHAP's projects in the South Pacific.
4. Another option is for IHAP to reconsider developing the VEP rationale and technology through the Government System whose extension workers are already in place and working with salaries, benefits, and travel allowance paid by the Government...a kind of set-up that offers a good potential for viability.

APPENDICES

- A. Exports
- B. Budget Analysis Sheet
- C. Vanuatu Community Development
Projects
- D. NKDT Revolving Loan Fund Report
- E. NKDT Revolving Loans
- F. Vanuatu Women in Development
- G. Persons Interviewed

EXPORTSMETRIC TONS

| | <u>1978</u> | <u>1979</u> | <u>1980</u> | <u>1981</u> | <u>1982</u> | <u>1983</u> |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <u>COPRA</u> | | | | | | |
| Santo | 33,943 | 30,243 | 13,829 | 32,684 | 26,107 | 28,549 |
| Vila | 10,936 | 9,577 | 12,903 | 14,386 | 8,691 | 9,989 |
| <u>TOTAL</u> | <u>44,879</u> | <u>39,821</u> | <u>26,732</u> | <u>47,070</u> | <u>34,798</u> | <u>38,538</u> |
| <u>COCOA</u> | | | | | | |
| Santo | 780 | 441 | 321 | 614 | 144 | 650 |
| Vila | 316 | 115 | 402 | 330 | 404 | 582 |
| <u>TOTAL</u> | <u>1,096</u> | <u>556</u> | <u>723</u> | <u>944</u> | <u>548</u> | <u>1,232</u> |
| <u>COFFEE</u> | | | | | | |
| Santo | 22 | 109 | 52 | 55 | 17 | 33 |
| Vila | -- | 7 | 2 | 6 | -- | -- |
| <u>TOTAL</u> | <u>22</u> | <u>116</u> | <u>54</u> | <u>61</u> | <u>17</u> | <u>33</u> |
| <u>CATTLE (Live)</u> | | | | | | |
| Santo | 30 | -- | -- | -- | -- | -- |
| Vila | 8 | 12 | 10 | -- | -- | 1 |
| <u>TOTAL</u> | <u>38</u> | <u>12</u> | <u>10</u> | <u>--</u> | <u>--</u> | <u>1</u> |
| <u>BEEF (Tinned)</u> | | | | | | |
| Santo | 98 | 112 | 94 | 67 | 95 | 121 |
| Vila | 148 | 148 | 93 | 65 | 58 | 58 |
| <u>TOTAL</u> | <u>246</u> | <u>260</u> | <u>187</u> | <u>132</u> | <u>153</u> | <u>179</u> |
| <u>BEEF (Chilled Frozen)</u> | | | | | | |
| Santo | 312 | 270 | -- | 415 | 495 | 800 |
| Vila | 156 | 96 | 107 | 190 | 129 | 75 |
| <u>TOTAL</u> | <u>468</u> | <u>366</u> | <u>107</u> | <u>605</u> | <u>624</u> | <u>875</u> |

* Independence

Reference: Vanuatu Statistical Bulletin Part II - 1978 - 1983.

OPERATIONAL BUDGET CASH
LEGEND

APPENDIX B

| | I | II | III | IV | V | VI |
|---|---------|---------|---------|---------|---------|--------|
| 1. Direct Operating Costs | | | | | | |
| (a) Technical Staff | | | | | | |
| Foreign Allowance | | | | | | |
| Salary (7% Annual Increment) | 64,300 | 67,610 | 67,610 | 69,414 | 58,156 | 11,250 |
| Housing Allowance (Rental Utilities, etc) | 13,888 | 13,888 | 13,200 | 13,200 | 13,480 | - 280 |
| Medical Insurance | 3,110 | Deleted | -- | -- | -- | -- |
| School Allowance | 3,000 | 3,000 | Deleted | -- | -- | -- |
| Sub-Total | 84,308 | 86,498 | 80,810 | 82,614 | 71,636 | 10,970 |
| Travel | | | | | | |
| (1) International | | | | | | |
| - Allowance | 1,840 | | | | | |
| - Mile | 1,840 | | | | | |
| - Children (2) | 1,840 | | | | | |
| Sub-Total | 5,520 | 5,120 | 5,120 | 5,520 | 4,721 | 799 |
| (11) Local | | | | | | |
| - Travel to Out-Islands | 5,296 | | | | | |
| - Ground Transport (State) | 3,972 | | | | 1- | 2,809 |
| Sub-Total | 9,268 | 9,268 | 9,268 | 9,268 | 2,814 | 3,645 |
| House Search Allowance (per \$100 \$12 x 30 days) | 1,340 | 1,340 | 1,000 | 1,000 | 446 | 554 |
| Sub-Total | 1,340 | 1,340 | 1,000 | 1,000 | 446 | 554 |
| Shipping Allowance | 7,140 | | | | | |
| Sub-Total | 7,140 | 7,140 | 3,480 | 3,480 | 3,480 | 3,480 |
| Sub-Total Indirect Costs | 109,946 | 109,946 | 22,0 | 100,078 | 20,5 | 85,906 |
| Sub-Total | 194,254 | 196,444 | 102,810 | 182,692 | 92,136 | 19,476 |
| (b) Technical Staff | | | | | | |
| Program Officers (Field Evaluations) | | | | | | |
| Travel - DMG/YS | 1,296 | | | | | |
| Per Diem | 2,184 | | | | | |
| Sub-Total Technical Staff | 3,480 | 7,480 | 1.5 | 7,480 | 1.5 | 1,014 |
| Sub-Total | 197,734 | 203,924 | 104,310 | 190,172 | 93,151 | 20,490 |
| 2. Training - Farm Management (DMG) | | | | | | |
| - Mail/Supplies | 102,525 | 109,005 | 115,221 | 115,221 | 108,850 | 6,371 |
| - Equipment/Supplies | 22,020 | 17,110 | 22,020 | 12,540 | 14,086 | -1,526 |
| - Services | 10,964 | 14,964 | 10,964 | 10,964 | 10,886 | 78 |
| - Direct Operating Costs (Includes \$7,937 salary - FYI) | 29,518 | 23,948 | 29,518 | 29,518 | 19,039 | 10,479 |
| Sub-Total DMG | 175,027 | 175,027 | 177,723 | 177,663 | 152,861 | 15,402 |
| 3. Rural Community Development | | | | | | |
| Rural Extension Development Projects | 78,000 | 78,000 | 42,000 | 32,000 | 24,892 | 7,108 |
| DMG Sub-Grant | -- | -- | 26,000 | 12,000 | 11,730 | 270 |
| Sub-Total | 78,000 | 78,000 | 68,000 | 44,000 | 36,622 | 7,378 |
| 4. Women In Development (DMG) | | | | | | |
| Rural Extension Training Programs | 33,000 | 33,000 | 33,000 | 21,000 | 9,368 | 11,632 |
| Sub-Total | 33,000 | 33,000 | 33,000 | 21,000 | 9,368 | 11,632 |
| 5. Village Extension Training | | | | | | |
| Sub-Total | -- | -- | -- | 65,460 | 16,996 | 48,464 |
| Sub-Total | -- | -- | -- | 65,460 | 13.1 | 48,464 |

| | I | II | III | IV | V | VI |
|-------------------------------------|----------------|----------------|--------------|----------------|--------------|-----------------|
| 7. Administrative Support | | | | | | |
| Asst. Project Officer/Adm. Asst. | | | | | | |
| - Salary | 23,170 | 23,170 | 13,804 | 12,000 | 6,288 | 5,712 |
| - Benefits | 1,650 | 1,650 | | | | |
| Telephone | 800 | 800 | | | | |
| Office Supplies/Communication | 3,972 | 3,972 | 7,200 | 7,200 | 12,721 | -5,521 |
| Office Equipment/Furniture/Fixtures | -- | -- | 2,000 | 2,000* | 1,924 | 76 |
| Office Space Rental | -- | -- | **4,200 | 3,800 | 4,868 | -1,068 |
| Sub-Total | <u>29,592</u> | <u>29,592</u> | <u>6.0</u> | <u>26,804</u> | <u>3.0</u> | <u>25,801</u> |
| 8. TRAP Overhead Costs | 65,820 | 65,820 | 65,820 | 65,820 | 65,820 | 49,255 |
| Sub-Total | <u>65,820</u> | <u>65,820</u> | <u>13.2</u> | <u>65,820</u> | <u>13.2</u> | <u>**49,255</u> |
| CGC Total | <u>498,315</u> | <u>498,315</u> | <u>100.0</u> | <u>498,315</u> | <u>100.0</u> | <u>121,092</u> |

- LEGEND:**
- I: CGC Personnel submission to SFMCO May 8, 1981
 - II: CGC Personnel approved by SFMCO on June 30, 1981
 - III: CGC budget SFMCO-Amendment #2 approved on July 29, 1981 but retroactive to June 30, 1981
 - IV: CGC budget SFMCO-Amendment #4 approved on December 1, 1981 but retroactive to June 30, 1981
 - V: CGC budget expenditures covering the period January 1982 to September 30, 1984
 - VI: CGC budget balance as of October 1, 1984

*: New budget line item
 **: Overhead charges include that for October 1984

NOTE: TRAP overhead totaling \$65,820.00 represents a rate of 6% of direct salaries. TRAP's overhead is equal to 11.2% of total costs of the project.

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VANUATU COMMUNITY DEVELOPMENT PROJECTS

| CODE | TITLE | LOCATION | APPROVED | VALUE OF LOCAL INPUT | EXPENDITURES TO DATE | | COMMENTS |
|--------|--|---------------------|----------|------------------------------------|----------------------|----------|--|
| | | | | | VATU | US \$ | |
| WCD001 | Navelala Water Supply | Navelala, Santo | June '82 | \$ 1,474 | 356,470 | \$ 3,713 | Completed |
| WCD002 | KITOW Rotational Grazing Project | Weasisi, Tanna | Nov. '82 | 5,360 | 100,951 | 1,052 | Materials transferred to PTC as group never solved land issues. |
| WCD003 | Pentecost Community Aid Posts | Pentecost | May '83 | average village: 240 ttl: 4,360 | 447,970 | 4,480 | 18 months after start all posts continuing with follow-up by local |
| WCD004 | Tafea District Health Workers' Training Supplies | Tafea Local Area | May '83 | trainee transport 550 | 6,155 | 62 | materials used in horse training and aid posts |
| WCD005 | La Source Plantation Horse and Cart Training | Montmarie, Efate | May '83 | 9,360 | 439,208 | 4,509 | 4 carts produced drivers and horses trained to date |
| WCD006 | Melsissi Fish Aggregating Device | Melsissi, Pentecost | July '83 | 4,062+ | requested: 390,300 | 3,903 | installation October 1984 |
| WCD007 | Euta Village Training Center - Carvers' Training | Euta, Tongos | June '83 | 90+ | 12,000 | 120 | Training was successful - ctr continues, as well as carving business |
| WCD008 | Vau Island Fisheries Freezer | Vau, Malekula | July '83 | 3,073+ 25% of cost | 150,000 | 1,550 | Freezer being well used and maintained. Group contributed 30%. |

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VANUATU COMMUNITY DEVELOPMENT PROJECTS

| CODE | TITLE | LOCATION | APPROVED | VALUE OF LOCAL INPUT | EXPENDITURES TO DATE | | COMMENTS |
|--------|---------------------------------|---------------------------------|----------|---------------------------------|----------------------|-------|--|
| | | | | | VATU | US \$ | |
| WCD009 | Remre Fish Aggregating Device | Port Olry, Santo | July '83 | 1,777 | requested 390,300 | 3,903 | Installed and waits for fish to aggregate. October 1984 |
| WCD010 | Fishing Equipment Supplies | 12 villages Pentecost | Feb. '84 | total (reverts back to IHAP) | proposed 282,000 | 2,820 | Awaits return of CUSO trainer for implementation |
| WCD011 | Prototype Canoe | Pentecost and Anbrym Islands | Feb. '84 | " | proposed 103,300 | 1,033 | " |
| WCD012 | Santo Youth Project | Santo and region | June '84 | 48,000 | 71,801 | 3,837 | Completed and served during national games self-sufficient |
| WCD013 | Wuro Anbrym Fisheries (freezer) | Wuro, Anbrym | June '84 | \$450 cash | 115,000 | 1,192 | Installed and functioning in overall project |

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NKDT REVOLVING LOAN FUND

| <u>DONOR</u> | <u>ISLAND</u> | <u>PROJECT/NAME</u> | <u>LOAN AMOUNT</u> | <u>REPAYMENT & INTEREST TO DATE</u> | <u>DONOR ALLOCATION</u> |
|---------------|---------------|---------------------------|--------------------|---|-----------------------------|
| INAP PROJECTS | Nguna | Torsen Poultry | 17,112 | 18,139 | 1,173,000 |
| " | Emau | Ineth Cake Bakery | 3,558 | 3,771 | |
| " | Lelepa | Poultry Project | 17,552 | 6,210 | |
| " | Nguna | Malaliu Piggery Project | 27,600 | --- | |
| " | Pentecost | Mele Piggery Project | 17,220 | 18,253 | |
| " | Nguna | Bread Oven | 4,200 | 4,452 | |
| " | Maakelynes | Preskerus Piggery | 13,620 | --- | |
| " | Kalekula | Lenap Fishery Project | 11,900 | 1,080 | |
| " | Efate | Tekau Fishery Project | 17,700 | 18,762 | |
| " | Banks Group | Vanualeva Piggery | 15,250 | 4,860 | |
| " | Pentecost | Sabwai Bakery Project | 29,984 | 15,000 | |
| " | Aneityum | Tabeva Cattle Project | 24,424 | 4,576 | |
| " | Aneityum | Kaywa Cattle Project | 26,440 | --- | |
| " | Anboe | Garee Joineryshop | 30,597 | --- | |
| " | Pentecost | Roy Piggery Project | 22,360 | 10,000 | |
| " | Pentecost | Tevi Poultry Project | 19,311 | 3,220 | |
| " | Pentecost | Natan Poultry Project | 10,501 | 2,000 | |
| " | Anboe | Arugogona Poultry Project | 23,865 | --- | |
| " | Nguna | Unekep Poultry Project | 21,689 | 22,870 | |
| " | Pentecost | Uriwou Nava Planting | 24,747 | 2,000 | |
| " | Ambrym | Bong Cattle Project | 25,300 | 1,787 | |
| " | Emau | Makatea Fishery Project | 24,990 | 20,000 | |
| " | Pentecost | Loltong Poultry Project | 21,925 | 5,000 | |
| " | Motalava | Willie Bakery Project | 12,995 | 1,562 | |
| " | Pentecost | Melsisi Piggery Project | 18,270 | 7,900 | |
| " | Erromango | Dillons Bay Poultry | 16,270 | 2,849 | |

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NKDT REVOLVING LOAN FUND

Appendix D
Page 2

| <u>DONOR</u> | <u>ISLAND</u> | <u>PROJECT/NAME</u> | <u>LOAN AMOUNT</u> | <u>REPAYMENT & INTEREST TO DATE</u> | <u>DONOR ALLOCATION</u> |
|---------------------------|---------------|---------------------------|--------------------|---|-----------------------------|
| IHAP PROJECTS | Ambrym | Ranon Kava Planting | 10,000 | 2,000 | |
| " " | Malo | Avunarera Piggery Project | 14,800 | --- | |
| " " | Tanna | Louniel Piggery | 17,390 | --- | |
| " " | Malekula | Benep Piggery | 18,195 | 9,600 | |
| " " | Emse | Siwo Poultry | 18,685 | --- | |
| " " | Malekula | Carlic Planting | 30,000 | 2,342 | |
| " " | Ambrym | Gelep Piggery | 26,630 | --- | |
| " " | Efate | Sumalepa Piggery | 28,540 | --- | |
| " " | Erronango | Dillons Bay Piggery | 28,155 | 17,500 | |
| " " | Ambae | Willie Poultry Project | 31,796 | 13,104 | |
| " " | Pentecost | Buleuru Poultry | 19,760 | --- | |
| " " | Ambrym | Ranon Fishery | 24,700 | 2,181 | |
| " " | Malo | Avunateri Piggery | 20,610 | --- | |
| " " | Santo | Tessiriki Cattle | 25,000 | 12,724 | |
| " " | Mavea | Livo Poultry | 27,980 | --- | |
| " " | Tanna | Bani Fishery Project | 24,400 | --- | |
| " " | Motalava | Alpie Cattle Project | 28,200 | --- | |
| <u>IHAP SUB-TOTAL</u> | | | <u>894,221</u> | <u>233,742</u> | <u>1,173,000</u> |
| LESS ADMINISTRATION COSTS | | | - | | <u>265,500</u> |
| | | | | | <u>907,500</u> |

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NKDT REVOLVING LOAN FUND

NKDT LOAN DISBURSEMENT/REPAYMENTS

| <u>DONOR</u> | <u>ISLAND</u> | <u>PROJECT/NAME</u> | <u>LOAN AMOUNT</u> | <u>REPAYMENT & INTEREST TO DATE</u> | <u>DONOR ALLOCATION</u> |
|------------------|---------------|----------------------------------|--------------------|---|-------------------------|
| CLUSD Projects | Tanna | West Tanna woodworkshop | 1,953 | 2,028 | 267,122 |
| " | Tanna | Middle Bush Potatoe Project | 24,500 | 24,875 | |
| " | Tanna | Tanna Rice T-Shirt | 24,500 | 25,791 | |
| " | Ambrym | Employment Seerch | 20,000 | --- | |
| " | Tanna | Middle Bush Potatoe | 30,000 | --- | |
| " | Malekula | Vinmevis Community Refridgerator | 51,261 | 9,000 | |
| " | Pentecost | Muahoe Wood Carving | 27,378 | 6,800 | |
| " | Efate | Eratap Piggery Project | 23,194 | 23,890 | |
| " | Efate | Tekere Poultry Project | 30,000 | --- | |
| " | Pele | Pele Poultry Project | 30,000 | 5,000 | |
| " | Malekula | S.W.Bey Brick-Making | 25,000 | 25,750 | |
| <u>SUB-TOTAL</u> | | | <u>288,686</u> | <u>123,134</u> | |

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NKDT REVOLVING LOAN FUND

| <u>DONOR</u> | <u>ISLAND</u> | <u>PROJECT/NAME</u> | <u>LOAN AMOUNT</u> | <u>REPAYMENT & INTEREST TO DATE</u> | <u>DONOR ALLOCATION</u> |
|--------------|---------------|------------------------------|--------------------|---|-----------------------------|
| CAA PROJECT | Efate | Coinhill Poultry | 30,000 | 30,900 | 181,000 |
| * * | Efate | Kelter Fishery Project | 13,840 | 4,800 | |
| * * | Efate | Eratap Poultry | 15,772 | 16,245 | |
| * * | Pentecost | Kava Planting | 25,000 | 9,000 | |
| * * | Emau | Messle Bakery | 20,000 | 20,600 | |
| * * | Tanna | Noririvan Com. Shop | 50,000 | 51,350 | |
| * * | Malekula | Siro Poultry Project | 26,712 | 27,513 | |
| * * | Santo | Maliu Poultry - Fimele | 6,000 | 6,000 | |
| * * | Emae | Makatea Poultry | 13,392 | 14,195 | |
| * * | Pentecost | Baravet Poultry | 15,412 | 15,412 | |
| * * | Efate | Kalserei Poultry | 20,376 | 21,599 | |
| | | <u>SUB-TOTAL</u> | <u>236,504</u> | <u>217,614</u> | |
| | | <u>GRAND TOTAL CORSO/CAA</u> | <u>525,190</u> | <u>340,749</u> | <u>448,122</u> |

db

NET REVOLVING LOAN FUND

| <u>DONOR</u> | <u>ISLAND</u> | <u>PROJECT/NAME</u> | <u>LOAN AMOUNT</u> | <u>REPAYMENT & INTEREST TO DATE</u> | <u>DONOR ALLOCATION</u> |
|---------------------------|---------------|--------------------------|-----------------------------------|---|-----------------------------|
| AFFHC PROJECTS | Pentecost | Rono Poultry | 16,500 | 17,490 | 286,050 |
| • • | Malekula | S.U.Bey Handicraft | 20,000 | 7,105 | |
| • • | Pentecost | Renua Poultry | 17,400 | --- | |
| • • | Pentecost | Tari Piggery Project | 24,350 | 25,567 | |
| • • | Pentecost | Vari Cattle Project | 8,480 | --- | |
| • • | Pentecost | Gule Poultry Project | 18,140 | 6,000 | |
| • • | Avok | Aank Cattle | 15,855 | --- | |
| • • | Avok | Nakel Piggery | 11,655 | 9,322 | |
| • • | Malekula | Sineon Joineryshop | 27,391 | --- | |
| • • | Avok | Lulu Cattle | 13,760 | 13,525 | |
| • • | Pentecost | Aal Piggery | 10,515 | 8,343 | |
| • • | Pentecost | Tavoa Poultry | 17,550 | 12,287 | |
| • • | Pentecost | Young Piggery | 19,000 | 20,140 | |
| • • | Pentecost | Steven Poultry | 17,791 | 1,572 | |
| • • | Epi | Issac - Piggery | 16,778 | 6,702 | |
| • • | Pentecost | Godden - Piggery | 23,030 | 6,000 | |
| | | <u>SUB-TOTAL - AFFHC</u> | <u>278,195</u> | <u>134,053</u> | |
| GRAND TOTAL - CORSO, CAA, | | | | | |
| | | | <u>INAP and AFFHC - 1,698,767</u> | <u>685,673</u> | <u>1,641,672</u> |

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INDT REVOLVING LOANS

| CODE | RECIPIENT NAME | LOCATION | PURPOSE OF LOAN | DATE | VATU | US\$ |
|-----------|--------------------|--------------------------------------|--------------------------|----------|-------|-------|
| VINDT 001 | Mrs. Enid Lore | Wiana Village, Enau | Baking business supplies | 3/8/82 | 3558 | \$ 37 |
| 002 | Mr. Colleen Torsen | Fareauvau, Nguna | Poultry Project | 3/8/82 | 17112 | 180 |
| 003 | Mr. Sam Lapkaea | Lelepa Island, North Efate | Poultry Project | 3/8/82 | 17552 | 185 |
| 004 | Mr. Thomas Taria | Malalinu, Nguna | Piggery Project | 10/8/82 | 27600 | 291 |
| 005 | Family Abwatuntora | North Pentecost | Piggery Project | 7/9/82 | 17600 | 186 |
| 006 | Family Tillasoa | Tikilasoa, Nguna | Bread oven | 7/9/82 | 4200 | 44 |
| 007 | Family Ennis | Preskaris, Makelynes, Malekula | Piggery Project | 30/9/82 | 13620 | 143 |
| 008 | Joseph Massing | Lanap, Malekula | Fishery Project | 27/8/82 | 11900 | 125 |
| 009 | Harrie Takau | Erakor, Efate | Fishery Project | 18/10/82 | 17700 | 186 |
| 010 | Philip Morris | Banks Island | Piggery Project | 3/11/82 | 15520 | 161 |
| 011 | Markson Family | Pentecost | Bakery business supplies | 3/11/82 | 29984 | 316 |
| 012 | George Tabera | Aneityun | Cattle Fencing | 16/11/82 | 24424 | 257 |
| 013 | James Keywe | Aneityun | Cattle Fencing | 19/1/83 | 26440 | 278 |
| 014 | Austin Garae | Anbae | Joinery shop materials | 19/1/83 | 30597 | 322 |
| 015 | Aiden Roy | North Pentecost | Piggery Project | 19/1/83 | 22360 | 235 |
| 016 | Mathew Teri | Libura, Pentecost | Poultry Project | 2/6/83 | 19311 | 193 |
| 017 | Evelyn Maltan | Panae, Pentecost | Poultry Project | 2/6/83 | 10501 | 105 |
| 018 | Aiden Arurugogona | Saratanata, Anbae | Poultry Project | 2/6/83 | 23865 | 239 |

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INRDT REVOLVING LOANS

| CODE | RECIPIENT NAME | LOCATION | PURPOSE OF LOAN | DATE | VATU | US\$ |
|-----------|-----------------|-------------------------------|------------------|----------|-------|------|
| INRDT 019 | Leinasei Janet | Unakap, Nguna | Poultry Project | 2/6/83 | 22870 | 229 |
| 020 | Gabriel Rauban | Uriwan, Pentecost | Planting/Project | 2/6/83 | 24787 | 248 |
| 021 | Jerry Song | Nalap, Ambrym | Cattle Project | 7/7/83 | 25300 | 253 |
| 022 | Mae Jones | Malatua, Eraso | Fishery Project | 4/10/83 | 24990 | 250 |
| 023 | Reno Dale | Loltong, Pentecost | Poultry Project | 14/10/83 | 21925 | 219 |
| 024 | Willie Lilip | Motalava, Banks | Bakery Project | 14/10/83 | 12995 | 130 |
| 036 | Willie Toa | Lolomatui, Anbae | Poultry Project | 2/3/84 | 37796 | 378 |
| 037 | Joseph Buleuru | Melsisi, Pentecost | Poultry Project | 2/3/84 | 19760 | 198 |
| 038 | Solonon Marakon | Ranon, North Ambrym | Fishery Project | 3/15/84 | 24700 | 248 |
| 039 | Jeouna Jasnet | Avunatari, Malo Island | Piggery Project | 3/15/84 | 20610 | 207 |
| 040 | Wen Iainu | Tassiriki, Southwest Santo | Cattle Project | 3/15/84 | 25000 | 250 |

VANUATU WOMEN IN DEVELOPMENT

Appendix F
Page 1

| CODE | PROJECT TITLE | LOCATION | APPROVED | LOCAL INPUT | EXPENDITURES TO DATE | | COMMENTS |
|---------|--|---------------------|----------|-------------|----------------------|-------|--|
| | | | | | VATU | US\$ | |
| VWID001 | Solep Club fund-raising | Walarano, Malekula | June '82 | \$ 28 | 6,407 | \$ 67 | New clubhouse also used as aid post like those on Pentecost VCD003 |
| 002 | Mahe Club House | Mahe, Malekula | June '82 | 716 | 73,150 | 770 | " |
| 003 | Metemwala Club fundraising | Metemwala, Malekula | June '82 | 2 | 683 | 7 | Club has continued fund-raising |
| 004 | Pinalun Club | Pinalun, Malekula | June '82 | 140 | 11,130 | 119 | Club continuing completely on its own |
| 005 | Norsup Club House Repairs | Norsup, Malekula | June '82 | 160 | 23,750 | 250 | Running extension of business training course |
| 006 | Nemb Club Fundraising | Walarano, Malekula | June '82 | 2 | 683 | 7 | Club combined with Solep group |
| 007 | Martataa Club Fundraising | Walarano, Malekula | June '82 | 60 | 11,614 | 112 | Club finished fundraising for clubhouse. October 1983 |
| 008 | Walarano Pottery Project | Walarano, Malekula | June '82 | 532 | 52,907 | 540 | Continues with training and income generation |
| 009 | KITOW Women's Training | KITOW, Tanna | Nov. '82 | 35,000 | 60,000 | 632 | " |
| 010 | Demonstration/water seal latrine project | Walarano, Malekula | Dec. '82 | 48 | 2,695 | 28 | Continued training with original model by local mission |

VANUATU WOMEN IN DEVELOPMENT

Appendix F
Page 2

| CODE | PROJECT TITLE | LOCATION | APPROVED | LOCAL INPUT | EXPENDITURES TO DATE | | COMMENTS |
|---------|---|---------------------------|-----------|------------------|------------------------|-------|---|
| | | | | | VATU | US\$ | |
| 011 | Demonstration/Stoves and Charcoal Project | Malarano, Malekula | Dec. '82 | \$ 208 | 5,000 | \$ 51 | Continued training with original model by local mission |
| 012 | Girls' Social Skills Course | Vila, Efate | May '83 | 4,553 | 77,000 | 786 | Course picked up by Social Development 3rd course in Santo |
| 013 | Vanuatu Women at Save Na Mekeu Workshop/PNG | Vila, Efate Sepik, PNG | June '83 | 668 | 47,656 | 486 | CUSO paid half the travel expenses |
| 014 | Assistance to Sauriete Women's Club | Betarara, Maewo | Sept. '83 | 300+ | | 185 | Club is now using completed house in income generation and aid post activities |
| 015 | Malarano Business Course | Malarano, Malekula | Nov. '83 | 1,020 | 33,600 | 316 | Nearly 20 girls in course. 21 positions available in business community |
| 016 | Uripiv Club Transport | Uripiv Island, Malekula | Feb. '84 | 400+ | 209,400 (requested) | 2,094 | Boat under construction, club training in driving, maintenance and accounts planned |
| 017-019 | Women's Business Workshops | Tanna, Paana, Pentecost | June '84 | Planned \$900 | requested | 4,041 | Waiting for workshop trainer to return from Maternity Leave. |

VANUATU WOMEN IN DEVELOPMENT

| CODE | PROJECT TITLE | LOCATION | APPROVED | LOCAL INPUT | EXPENDITURES TO DATE | | COMMENTS |
|------|--|-----------------------|----------|--------------------------------|----------------------|---------|---|
| | | | | | VATU | US\$ | |
| 020 | ATDI/SPATF Workshop Attendance | Lae, Papua New Guinea | July '84 | Lodging | 326,913 | \$3,401 | 2 women sent returned to work with grassroots groups - immediate result is alot more confidence |
| 021 | YMCA Small Business and Organizational Work- shop | Apia, Western Samoa | Aug. '84 | Lodging, meals, per diem | 132,700 | \$1,345 | 2 women from private organi- zations in Vanuatu sent - not returned as of 1st October |
| 022 | VT Women in Agriculture Workshop | Port Vila, VT | Oct. '84 | SPC pays some transport | requested | \$2,500 | IHAP will fund meals, local transport materials |

2/10

PERSONS INTERVIEWED

1. SPRDO
Mr. William Paupe
Mr. Louis Kuhn
Mr. Robert Khan
2. IHAP/Vanuatu
Ms. Jan Crocker
3. National Planning Office
Mr. Graham Teskey
Senior Planning Officer
4. Cooperatives Department
Mr. Kevin Prigmore
Training Officer
Mr. Hilton Tabileo
Advisor
5. Ministry of Agriculture
Mr. Douglas Molusa
Director of Agriculture
Mr. Barry Weightman
Advisor to the Ministry of Agriculture
6. Ministry of Education
Mr. Hannington Alatoa
Director of Social Development
7. Ministry of Health
Dr. William Mitchell
Director of Health
Dr. Roger DeWilde
Director of Preventive Medicine
8. World Health Organization
Dr. Mario Gonzalez
WHO Country Liaison Officer

9. Nasonal Komuniti Development Trust
Mr. John Leo-Tamata
10. Development Bank
Mr. Camille Bastien
11. O.D.I.L. (Office du Developpement D'interieur des Isles)
Director of Training
New Caledonia
12. Vanuatu Chamber of Commerce
Mr. Pierre Bourgeois
President
13. Catholic Diocese of Vanuatu
Bishop Francis Lambert
14. Plantation (Farm) Management Training Center
Mr. Charles Rogers
Director