PD-AAS-164

UNCLASSIFIED

AGENCY FOR
INTERNATIONAL
DEVELOPMENT

ANNUAL BUDGET SUBMISSION

FY 82

RWANDA

BEST AVAILABLE

JUNE 1980

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
WASHINGTON, D.C. 20523

UNCLASSIFIED

FY 1982

ANNUAL BUDGET SUBMISSION

USAID/RWANDA

June, 1980

FY 1982 ANNUAL BUDGET SUBMISSION - RWANDA

Table of Contents

		Page
1.	Table I - Long Range Plan and Narrative	2
2.	Table III - Project Obligations	10
3.	Table IV - Project Budget Data and New Project Data Sheets	11
4.	Decision Package Narrative	23
	A. Minimum	
	B. Current	
	C. AAPL	
5.	Table V - Proposed Program Ranking	31
6.	Workforce and Operating Expenses	
	A. Table VI - Project Summary	32
	B. Table VII - Operating Expense Funded Personnel	33
	C. Table VIII - Operating Expense Summary	35
	D. Operating Expense Budget - Summary Explanations	37
	E. Table IX - Position Requirements - FY 1980-1982	40
7.	Table X - Special Concerns	41
8.	PL 480	
	A. PL 480 Title II Narrative	43
	B. Table XIII - PL 480 Title II - Catholic Relief Services	45
	C. Mission Review of Catholic Relief Services FY 1982 Title II Food Request	61
	D. Table XIII - PL 480 Title II - Seventh-day Adventist World Service	63
	E. Mission Review of Seventh-day Adventist World Service FY 1982 Title II Food Request	74
	F. PL 480 Project Narrative - Section 206 Proposal - Communal Development Fund	75
	G. Bellmon Amendment Certification	77

Addendum

Justification for FY 1981 Operating Expense Levels

CM 2 - Side

FY 1982 ANNUAL BUDGET SUBMISSION

TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT ($ Thousands)

Development Assistance	FY 1980 EST.	FY 1981 EST.	Decision Unit AID/Rwanda FY 1982 REQUEST MIN	CURR	AARL	PLANNING PERIOD 1983	1984	1985	1986
Agriculture, Rural Development & Nutrition (Grants)	1,938	4,949	4,150	4,680	7,750	9,000	10,000	16,000	16,000
Population (Grants)	1,500	1,485	-	-	-	1,000	4,000	3,000	4,000
Health (Grants)	-	-	-	-	-	2,000	1,000	2,000	3,000
Education (Grants)	-	-	-	350	1,250	3,000	4,000	5,000	5,000
Selected Development Activities (Grants)	-	-	-	1,400	3,000	3,000	5,000	6,000	14,000
TOTAL FUNCTIONAL ACCOUNTS	3,438	6,434	4,150	6,430	12,000	18,000	24,000	32,000	42,000
PL 480 Title II	(1,963)	(3,249)	(4,131)	-	-	(5,000)	(5,900)	(6,900)	(8,100)
H.I.G.	-	-	-	-	-	-	(3,000)	(3,000)	-

Previous Page Blank

TABLE I - NARRATIVE

LONG-RANGE PLAN & IMPLICATIONS FOR PERSONNEL REQUIREMENTS

I. Direct-hire Personnel Planning Levels and the FY 1982 AAPL.

The authorized direct-hire personnel planning level assigned to Rwanda for 1982 is six U.S. direct-hire, and six local direct-hire; also, a resident U.S. direct-hire position has been approved and is filled. It is entirely possible for AID to manage a program at the $12 million level (AAPL) in FY 82 with a staff of this size, provided REDSO/EA continues to furnish the services it now provides the Rwanda mission, particularly in engineering and design. This narrative discusses the manner in which the AID/Rwanda program is fashioned to minimize direct-hire personnel requirements while still maintaining adequate policy direction and monitoring.

A) The Direct-hire Personnel Mix.

In FY 81, with the arrival of a U.S. direct-hire agricultural officer and the hiring of a local or TCN direct-hire professional, all AAO direct-hire staff positions will be filled. To implement a growing program, beyond FY 82, an engineer and a capital projects development officer would be required in FY 83. Corresponding increases in local staff would also be required.

The current DH staffing pattern for AID/Rwanda includes 2 program direction officers, 2 technicians, and 3 administrative support personnel, one of whom is resident direct-hire. With an additional GSO position approved for the Embassy, to be filled within 6 months, AID should be able to restructure its staffing pattern to give more attention to program direction. We have already moved in that direction by requesting that the Executive Assistant position be re-SPARed as Assistant Program Officer. Further changes, within approved levels, are foreseen to correspond to the evolving AID program.

An increase over the approved local direct-hire level of 6 will be required after FY 82. A viable ratio of local direct-hire to U.S. direct-hire is 2 to 1. We are now operating on a less than one-to-one basis with approved levels of exactly one-to-one. Future local-hire positions should be reserved mostly for professional level employees. Locally recruited and TCN staff working in commodity procurement, project support administration, participant processing, financial management, etc., can reduce the work load of U.S. direct-hire staff significantly -- freeing the latter for program management and direction. While they are difficult to hire in Rwanda, every effort will be made to locate Africans with professional level skills or who can be trained to that level. The positions should be available to permit the local personnel to be hired.

A comparison of present and optimum staff levels is presented as follows:

Previous Page Blank

Present Staffing Pattern	1983
AID Affairs Officer	AID Affairs Officer
Program Officer	Program Officer
Management Officer	Management Officer
Health/Population Officer	Health/Population Officer
Agricultural Officer	Agricultural Officer
Executive Assistant	Agricultural Economist
	General Engineer
	Capital Projects Development Officer
Resident Direct-hire	
Administrative Assistant	Administrative Assistant
Local Direct-Hire	
Clerk-typist (now at Embassy)	Management Support Assistant
Secretary	Secretary
Receptionist	Bilingual Interpreter/translator
2 Chauffeurs	3 Chauffeurs
	Engineer
	Accountant
	Receptionist/clerk-typist

B) Administrative and Project Support.

Under the direction of the Mission Management Officer, AID/Rwanda will establish a four person (including one contract employee) Administrative and Project Support Unit to provide administrative, procurement and management services to project managers and field staff and to PVO's and contractors who are implementing projects. AID direct-hire employees are supported under an agreement with the Embassy, but contractors are AID's responsibility -- and their support often falls to project managers. Support activities are important to morale and to project execution. It is simply not feasible to expect contractors to be self-supporting or to live with less support than the direct-hire staff, while trying to implement projects under the difficult conditions which exist in Rwanda. This support, however, is extremely time consuming for project managers. AID/Rwanda has, therefore, begun to earmark certain sums of funding from each project to cover costs of a Project Support Unit which will be tasked with handling aspects of contractor support which are most distant from more important project concerns of the AID office. Approximately $15,000/year of project funding will be required for one U.S. or TCN contract assistant to work in the Project Support Unit. We believe the new office will serve to reduce professional time heretofore spent on non-project specific concerns and will increase time available for direct-hire managers to spend on project implementation and management.

The duties of the Administrative and Project Support Unit will be:

- commodity procurement and record maintenance;
- logistical support: housing, furniture, supplies, transportation;
- participant and staff training; and
- administrative support to direct-hire contractor and PVO personnel, particularly those located outside of Kigali.

C) Program Concentration, Institutional Integration & Development Cost-sharing.

The long-range objectives of the AID program in Rwanda, as summarized in the FY 1982 Rwanda Country Development Strategy Statement, are as follows:

(1) achievement and maintenance of normal food self-sufficiency;
(2) development of infrastructure to facilitate and improve delivery of essential services and off-farm employment opportunities;
(3) establishment of a viable system of storage and marketing of basic food crops; and
(4) protection of the natural resource base.

In practical terms, these objectives take the form of a series of projects requiring concentrated attention by individuals responsible for the many small actions which lead to achievement of projects and program goals. Since AID management resources for Rwanda are relatively limited, it is essential that personnel be used judiciously, in positions from which they can translate their experience and AID's development policies into projects to be implemented by other organizations and managed by AID. Effective use of personnel and selective programming can permit each AID manager to direct a relatively homogenous project portfolio over which AID maintains policy control and program direction, but which, for the most part, is implemented on a day-to-day basis by contract or grantee expert agents and host government agencies.

The effective use of limited manpower resources will require discipline in programming AID financing in Rwanda, as well as careful selection of employee and contractor skills. Effective use of available manpower resources includes the following:

1. Sector Emphasis. The AID program in Rwanda has put its principal effort into several key rural sectors where the U.S. has a special expertise and where we believe the limited financial resources which AID can give to Rwanda can be used to best advantage. In concentrating on certain sectors, AID is, at the same time, addressing core problems facing Rwanda. For example, a program for the construction of storage facilities at both national and local (cooperative) levels, and the training of staff to manage the program, is being financed in three on-going projects. Though financing has come on stream through three separate projects approved and obligated in different years, sector concentration has permitted one compact and effective management unit. One PVO (CLUSA) has been contracted to work with the cooperative movement and to direct the implementation of the cooperative level storage and marketing system, while one technician from the USDA with short-term consultants assisting, has been effectively managing the national level storage and marketing program. In effect, AID has been able to carry out a $5.81 million program with 2 technicians in place. Follow-on projects addressing the same problems can be implemented under the existing arrangements.

The fact that decision making is centralized in the technical assistance, and that technicians of high quality have been brought to Rwanda, has reduced the day-to-day work load of the limited direct-hire staff. The sector

concentration which AID/Rwanda is attempting to incorporate into its program has the added advantage that implementation of the specific projects is limited to a few Rwandan ministries. Having relatively few counterparts to deal with can enable us to develop sound and mutually respectful working relationships with these ministries.

2. Use of Short-term Consultants and Experts. AID/Rwanda has had particular success in locating and recruiting short-term technicians, even for longer periods than the term implies, or for repeated visits in lieu of resident long-term technicians. We have found that technicians who are qualified, have experience in Africa, have French language capability, and who are readily available on a short-term basis, very often will not accept a long-term assignment. While they may not be willing to lose tenure or career status that they have with a university or firm, or are reluctant to move their families to Kigali where there are only inadequate schools and medical facilities, they are interested in diversifying their jobs through a series of short-term consultancies. This is particularly the case with universities, which have difficulty in inducing tenured professors away from the well equipped laboratories and libraries and the intellectual atmosphere of the university to the more rudimentary conditions found in Rwanda. The same professors and researchers are, however, eager to broaden their experience and base of knowledge with periodic work in Africa. Often, a project which might call for 3 long-term technicians can be better implemented with 1 long-term and a series of short-term specialists, thus reducing otherwise necessary support systems and expenses.

The use of short-term technicians, in lieu of long-term, will depend, of course, on particular project needs, but we have found this to be a viable alternative in several cases. It is also a solution which has found favor with the Embassy, which prefers a low profile, and with the counterpart ministries of the GOR.

3. Increased Utilization of PVO's, Title XII Institutions and Peace Corps. The GOR has endorsed the role which U.S. non-governmental organizations can and do play in grass-roots development here. The mission has had good success in utilizing U.S. PVO's for project management, through both the OPG and contract route, and our strategy is to continue to support and encourage voluntary agency activity in Rwanda. Voluntary agencies not only provide an additional pool of resources, but they can provide experience and French-speaking expertise not readily available to AID. This is particularly true when the technical assistance required is "mid-level" (associate expert, in UNDP parlance). VOLAG's have a good pipeline to young technicians, ex-PCV's, etc., who have overseas experience, language ability and the capacity to endure, with little support from AID, living in areas under difficult circumstances.

The collaborative approach offered by the Title XII mechanism is another means of providing necessary project administration and technical assistance which is being pursued by the mission. Two active projects will be implemented under Title XII and two other projects now at PID stage will also profit by Title XII participation.

Rwanda has displayed some reluctance to engage Peace Corps volunteers as technical assistants in AID-financed development projects. They have argued that there are already a number of Rwandans who could fill this role but lack the means to do so at present. They have urged, then, that Rwandans be given the short-term special training and the support to enable them to operate much as volunteers do. It is also apparent, however, that where Peace Corps volunteers bring with them a particular expertise and experience not available here, they would be welcomed. Each case will be judged as it arises, but the Rural Works Project which will begin in FY 1982 offers special possibilities in this regard.

D) Other Donor Collaboration.

A large part of the AID projects in Rwanda are funded either jointly with other donors or as part of a coordinated effort. This is true for all major on-going and for all proposed projects. There are substantial administrative and management benefits to be realized, by all parties, from such an arrangement. The opportunity to call upon other donor technical assistance, which is available in all areas in which AID is working, exists. The reverse is also true.

AID technical assistance to the Rwandan Cooperative Service, for example, is available to other donors in the local crop storage program, UNICEF and the U.N. U.S. technical assistance is, in fact, the technical assistance for the other donors as well. On the other hand, AID takes full advantage of Belgian and UNICEF technicians to assist in the implementation of our Agricultural Education Project. A Belgian engineer is working full-time on supervision of construction of the AID-financed rural training centers. Proposed projects in agricultural sector analysis, fish culture, grain production and rural works, etc., will borrow and lend technical expertise as the need arises.

The project portfolio now being developed in Rwanda represents a very full load for the six direct-hire officers currently authorized. In combination, however, with (1) efficiencies to be derived from increased utilization of Title XII, Peace Corps and voluntary organizations, (2) increased coordination and cooperation with other donors, and (3) new management/operations support programs, the phenomena described above will contribute to significant reductions in manager/unit ratios, and, thus, to increased program efficiency and AID effectiveness.

II. Long-range Management Implications of Present AID Programs.

A) Long-term Sector Concentration.

AID is involved in the beginning stages of key sectors of development in Rwanda. It is likely that AID involvement in these sectors will continue and will involve succeeding phases of present programs. Thus, the nature of the AID program is not likely to change dramatically over the next 3 to 5 years, and personnel efficiencies affected by efforts described above will become increasingly evident.

We have built a program base addressing significant constraints to rural development. In the food grain marketing and storage area, for example, we have been asked by the GOR to follow our present program of national storage with continued technical assistance to the grain marketing board as it matures and develops and assumes additional responsibilities. Our projects for local crop storage are certain to be followed up with additional phases for local crop storage construction and cooperative development. Our present projects are working with 47 cooperatives. There are potentially 143 cooperatives (one for each commune) which will require assistance in training and small crop storage facilities. All facets of the AID program in health (immunization and rural health/family planning) will undoubtedly require additional phases, as will the agricultural sector analysis and agricultural production programs. The Rwanda Farm Hand Tools Project will be subsumed under the proposed Rural Skills Training Project and will serve as an example of how on-going projects can merge with new projects to reduce the management time required both of AID and the Government of Rwanda.

By concentrating on long-range answers to difficult problems, we can reduce the need for proliferation of project management units in the future. We will also be building a significant technical assistance resource and knowledge base among U.S. PVO's and other institutions which will, hopefully, provide a steady flow of specialists, not only to Rwanda, but to other countries in the region.

Follow-on projects can substantially reduce project documentation, which is the responsibility of the AID direct-hire staff. Evaluations of on-going projects serve as PID's for succeeding phases, and offer substantial material for preparation of project papers for follow-on phases. Sector concentration also reduces the requirements for individual evaluation. AID/Rwanda can, for example, plan one evaluation of AID involvement in grain marketing. This evaluation will encompass four AID-funded projects, obviating the need for the time-consuming and expensive procedures for four separate evaluations.

B) Life of Project Funding and Implementation Authority.

It is conservatively estimated that 30 hours are required by mission staff to prepare, translate, proofread and negotiate grant agreements. Simple amendments adding tranches of funds are estimated to require 10 hours to process. An equal amount of time, or more, is required on the part of the host government since Grant Agreements and their Amendments are circulated through a number of concerned Ministries. Life-of-Project funding would serve to substantially reduce this work load and release both U.S. and host government personnel to more important implementation questions. The use of the annual evaluation and work plan as a basis for releasing funds each year already constitutes sufficient check on project expenditures and assures sufficient leverage for required project design changes.

Questions of Delegation of Authority to the smaller posts have to be reconsidered. Delegations should be based on the theory that the head of an AID mission, even a small mission, has the experience to determine when assistance from REDSO and/or AID/W is required, and that he/she can be trusted to request that assistance.

C) Improvements in Reporting Instructions.

Finally, the lack of timeliness of instructions from AID/W for preparation of reports and documentation has a serious and disruptive effect on mission work load. The instructions for the FY 82 ABS are a case directly in point. With the ABS due in Washington on May 30, it would have to leave Rwanda by pouch by May 23. Supplemental bureau instructions were received by cable dated May 8, and the AAPL, without which the narratives for both Table I and V could not be completed, was received on May 19.

III. Role of AID/W in Reducing Work load.

Diminution of Recurrent Work load. There is an important role which AID/W must play if small missions like Rwanda are to do "more with less". First, a review of all reporting requirements must be held and clear directions given on what missions are to be expected to furnish. Obviously, with reduced personnel levels, AID/W will have to live with less information, not more.

A review of the three major yearly documents required, the CDSS, ABS and CP, will show that some information requested is duplicative. For example, in both the CDSS and the ABS, missions are asked to discuss how they will manage their program with reduced levels and still obtain maximum efficiency. Long-range planning tables are requested in both documents, with only slight variations.

The CDSS preparation requires substantial input from missions, REDSO, and Washington. The review process in Washington is even more demanding of the time and efforts of high-level officials. Yet, it is generally conceeded that the sixty-page document is not sufficient to present a clear and complete analysis of the information requested. A return to a longer DAP style document, prepared every 3 or 4 years by specialized teams sent from AID/W, is perhaps in order as a way to reduce personnel work load while ensuring a complete document which provides a context for objective and rational program planning.

TABLE III - PROJECT OBLIGATIONS BY APPROPRIATION ACCOUNT
FY 1980 TO FY 1982
($ thousands)

Decision Unit AID/Rwanda

APPROPRIATION ACCOUNT	FY 1980	FY 1981	FISCAL YEAR 1982 MINIMUM	CURRENT	AAPL
Agriculture, Rural Development & Nutrition					
696-0107 Local Crop Storage (G)	961	-	-	-	-
696-0109 Agricultural Education (G)	977	2,284	-	-	-
696-0110 Area Agricultural Production (G)	-	-	1,315	-	1,050
696-0112 Fish Culture in Rwanda (G)	-	1,165	1,085	-	-
696-0115 Rwanda Agriculture Survey & Analysis (G)	-	1,000	1,250	-	1.070
696-0116 Food Storage & Marketing II (G)	-	500	500	530	950
Sub-total Agriculture, Rural Development & Nutrition	1,938	4,949	4,150	530	3,070
Selected Development Activities					
696-0117 Rural Works (G)	-	-	-	1,400	1,600
Sub-total Selected Development Activities	-	-	-	1,400	1,600
Education & Human Resources Development					
696-0118 Skills Training & Employment (G)	-	-	-	350	900
696-0119 Cooperative Training Center (G)*	-	(650)	-	-	-
Sub-total Education & Human Resources Development	-	(650)	-	350	900
Population Planning					
696-0113 Rural Health & Family Planning (G)	1,500	1,485	-	-	-
Sub-total Population Planning	1,500	1,485	-	-	-
TOTAL FUNCTIONAL ACCOUNTS	3,438	6,434	4,150	2,280	5,570
PL 480 Title II					
Catholic Relief Services	(1,963)	(2,488)	(2,921)	-	-
Seventh-day Adventist World Service	-	(261)	(460)	-	-
Section 206 - Communal Dev.Fund	-	(500)	(750)	-	-
Total PL 480 Title II	(1,963)	(3,249)	(4,131)	-	-

* Operational Program Grant

TABLE IV PROJECT BUDGET DATA

DECISION UNIT: AID/RWANDA

PROJECT NUMBER	PROJECT TITLE	G/L	OBLIGATION DATE INITIAL	OBLIGATION DATE FINAL	DATE OF NEXT PLANNED NON-ROUTINE EVAL.	ESTIMATED U.S. DOLLAR COST ($000) CUM. PIPELINE AS OF 9/30/79	FY 1980 OBLIG.	FY 1980 EXPEND.	FY 1980 CUM. PIPELINE	FY 1981 OBLIG.	FY 1981 EXPEND.	FY 1981 CUM. PIPELINE	FY 1982 AAPL OBLIG.	FORWARD FUNDED TO (MO/YR)	FUTURE YEAR OBLIGATIONS
	Agriculture, Rural Development and Nutrition														
	Projects with Unliquidated Balances and no new Planned Obligations			1979		1,453	-	1,285	168	-	168	-	-	-	-
696-0107	Local Crop Storage	G	1979	1980		1,612	961	342	2,231	-	712	1,519	-	6/84	-
696-0109	Agricultural Education	G	1979	1981	11/81	1,865	977	630	2,212	2,284	1,200	3,296	-	9/84	-
696-0110	Area Agricultural Production	G	1982	1984	6/83	-	-	-	-	-	-	-	2,365	12/83	3,885
696-0112	Fish Culture in Rwanda	G	1981	1982	4/83	-	-	-	-	1,165	1,000	165	1,085	12/85	-
696-0115	Rwanda Ag Survey & Analysis	G	1981	1982	9/83	-	-	-	-	1,000	890	110	2,320	12/85	-
696-0116	Food Storage & Marketing II	G	1981	1982	3/83	-	-	-	-	500	300	200	1,980	9/85	-
	Sub-total Agriculture, Rural Development and Nutrition					4,930	1,938	2,257	4,611	4,949	4,270	5,290	7,750		3,885
	Selected Development Activities														
696-0117	Rural Works	G	1982	1982	4/84	-	-	-	-	-	-	-	3,000	12/84	-
	Sub-total Selected Development Activities					-	-	-	-	-	-	-	3,000		-
	Education and Human Resources Development														
696-0118	Skills Training & Employment	G	1982	1983	6/83	-	-	-	-	-	-	-	1,250	12/83	1,150
696-0119	Cooperative Training Center	G*	1981	1981	5/83	-	-	-	-	(650)	(200)	(450)	-	12/84	-
	Sub-total Education & Human Resources Development					-	-	-	-	-	-	-	1,250		1,150
	Population Planning														
696-0113	Rural Health & Family Planning	G	1980	1984	1/84	-	1,500	300	1,200	1,485	1,000	1,685	-	2/83	2,515
	Sub-total Population Planning					-	1,500	300	1,200	1,485	1,000	1,685	-		2,515
	Total Functional Accounts					4,930	3,438	2,557	5,811	6,434	5,270	6,975	12,000		7,550
	Total PL 480 Title II						(1,963)			(3,249)			(4,131)		
	CRS and SAWS						(1,963)			(2,749)			(3,381)		
	Section 206 govt. to govt.						-			(500)			(750)		

AID 1330-8 (4-80)

* Operational Program Grant

PROJECT:	Area Agricultural Production
PROJECT NUMBER:	696-0110
APPROPRIATION ACCOUNT:	Agriculture, Rural Development and Nutrition
FY 81 FUNDING:	-
FY 82 FUNDING:	$ 2,365
LOP FUNDING:	$ 6,250

Purpose: To provide the agronomic and social research base and the rural infrastructure which will enable the settlement and cultivation of heretofore undeveloped valley and marsh lands.

Problem and Response: Rwanda is extremely densely populated; the average farm family subsists on less than one hectare of land. While steps are being taken to reduce the high birth rate, it is nevertheless imperative that the GOR search for more immediate solutions to ways to give present and future generations of Rwandans land to farm and the ability to feed themselves. The Rwandan farmer has displayed receptivity to new farming techniques. They have traditionally accepted new crops, they have inter-cropped, terraced and contour-plowed where the benefits of these techniques have been demonstrated to them. Unfortunately, yields of major crops have not increased over the past as should have been expected and as is necessary to keep pace with the growing population and diminishing farm size. Yields of major crops are virtually stagnant. The extension service is largely ineffective and new technological packages are not readily available to the farmer.

While some new lands are being opened through migration, the migration is largely spontaneous, with little help from the agricultural service to direct farmers in cultivating under ecological conditions different from those with which they are familiar. Virgin soils in these newly settled areas produce good yields for several years, but the experience has been that the soils burn out at a rapid rate and yields quickly decline.

Intensification of production on existing farm land and planned resettlement on newly opened valley lands are among the steps being taken by the Government to both increase production and to provide land to the people. If only 35,000 hectares, a portion of the total land estimated to be available for resettlement, were rationally developed, for example, an estimated 35-40,000 families could have the continuing capability to support themselves adequately. Increased attention to research, the agricultural extension service, and the rural infrastructure which supports production can produce results over the near term.

Rwandan development policy has encouraged donors to participate in major development programs in specific geographic areas. These area development programs have generally taken the form of integrated development projects concentrating on agricultural extension services, health facilities, rural roads, etc. With the exception of a Canadian project in the north of the country, and a Chinese irrigated rice and sugar cane production effort, donor area development projects have not, however, included development of low land areas where valley drainage and irrigation may be necessary.

The Government of Rwanda has suggested that AID investigate the possibility of participating with other donors in an agricultural development project in one of several regions. One of the principal objectives of an AID involvement would be to establish an information and experience base for future development of similar valley lands. The projects of interest to AID include:

1. Zaire-Nile Crest Agricultural Development and Watershed Production. The European Community (FED) is completing a series of preliminary studies relating to the Nile Crest Region of western Rwanda. This remains virtually the last major area of dry land farming for which donor funding is not available. While the FED studies are not yet published, it is clear that major land use recommendations will emerge (i.e., erosion control, reforestation, soil conservation), as well as recommendations to increase production through research, crop storage and marketing and rural road improvement. The FED has informally indicated that AID funding of portions of this major effort, in an area with excellent potential to achieve food production increases, would be welcomed.

2. Participation with the World Bank in the second phase of its BGM (Bugesera-Est/Gisaka/Migongo) project. The Bank project will concentrate on rural infrastructure (extension service, cooperatives, rural roads, health facilities, etc.). AID has been requested to consider several larger valley areas for irrigated agriculture. A preliminary AID mission visited the project area in March 1980, and its report will form the basis for a determination relative to the suitability of this area for AID financing.

3. Extension of the Canadian project in Mutara. The Canadian resettlement project, in northeast Rwanda, involves the resettlement of Rwandan farmers in the Kagicumba valley, with dry land production on the hillsides and valley land production supplemented by irrigation from the Kagicumba river for three crop seasons. The Canadian effort to develop the first 400 hectares began three years ago. The AID mission mentioned above also visited the Canadian project. The studies completed by Canada, and its experience over the past several years, will prove invaluable to AID in decisions to finance a second stage of this valley development.

4. Lower Nyabarongo River Valley. A study completed for AID by Multinational Agribusiness Systems, Inc (MASI), in 1978, concluded that reclammation and development of this area is entirely feasible. Preliminary estimates are that 7,700 ha of land can be reclaimed, though the total hectarage available will ultimately be determined by the height of a proposed dam to be constructed at Rusumo Falls, on the Rwanda/Burundi/Tanzania border. The dam will flood parts of the Nyabarongo Valley, and no decision can be taken on development of the valley until the three countries concerned, Rwanda, Burundi and Tanzania, reach agreement on the height of the dam.

Host Country Participation: The Government of Rwanda contribution, over the life of the project, would consist of personnel and administrative and operational support. Popular participation in development projects in Rwanda is significant. All Rwandans contribute one day per week to community de-

velopment, and, especially in rural areas, the value of this contributed labor is significant.

In any of the area development projects proposed for AID financing, AID would be working either as a co-financer or in close cooperation with at least one other donor, as described above.

The Ministry of Agriculture and Livestock will be the implementing Rwandan agency. The Office of Cooperatives, in the Ministry of Social Affairs and Cooperatives, will also direct an important component of the project, cooperative formation, management and training of cooperative personnel.

Target Population: The project will be directed toward improving the lives of small farmers who will benefit directly from the improved extension systems and the increased productivity resulting from an area development project. As a rule of thumb for resettlement schemes, each family of approximately 5 people will be given one hectare of land. Development of one district of 500 hectares in Mutara, for example, would provide land for 2,500 people. Accurate estimates of the numbers of families who will benefit by this project must await the further definition of the project. Also, the research and socio-economic studies to be financed by the project will provide an information and experience base for future development efforts of the same nature.

Project Development: An evaluation of the opportunities and options for AID assistance in an agricultural production project will be conducted over the coming months and discussed with the appropriate officials of the Government of Rwanda. Depending on the option(s) selected to be considered in more depth, AID/Rwanda, in consultation with REDSO/EA, will request additional technical missions. The primary issues to be resolved in any lowland development project will be the environmental effects of drainage and irrigation, soils studies and the economic feasibility of farming these lands. An in-depth social soundness analysis would preceed any attempt at resettlement of people. A PID would then be prepared for submission for funding late in FY 81.

PROJECT:	Food Storage and Marketing II
PROJECT NUMBER:	696-0116
APPROPRIATION ACCOUNT:	Agriculture, Rural Development and Nutrition
FY 81 FUNDING:	$ 500
FY 82 FUNDING:	$ 1,980
LOP FUNDING:	$ 2,480

Purpose: To increase the impact and effectiveness of the Rwandan Government's grain and food pulse storage and price stabilization program, and to develop a strategic storage program.

Problem and Response: Rwanda's 95% rural population is made up of subsistence farmers. It is estimated that only about 40% of total Rwandan agricultural production is monetized and that non-food crops account for most of the farm produce reaching commercial markets. In its 1977-81 Five-year Plan, the Government of Rwanda places high priority on development of food crop storage and marketing programs which will encourage increased production and commercialization of food crops. The Plan outlines programs to strengthen rural cooperatives to assemble and store marketable farm surpluses and to expand the interregional transport and marketing system for the transfer of surpluses to deficit areas. A more efficient market, it is argued, will encourage increased production.

The first AID-sponsored Food Storage and Marketing (FSM) Project (696-0100), which began in 1975, fit within the Government's storage and marketing plans, and in response to the Government's requests for assistance in this area it was extended and augmented in 1978. The project established a national bean and sorghum marketing agency, GRENARWA, whose job it is to increase interregional marketing efficiency and to stabilize bean and sorghum prices through purchase and sale of significant quantities of these products. The project has proven successful in serving interregional marketing needs and has demonstrated success, within a limited geographic area, in accomplishing price stabilization objectives. AID funding to the project is scheduled to end in December 1980, when GRENARWA will complete a progressive integration into another government agency, OPROVIA, which is responsible for marketing of all imported foodstuffs in the country.

Two other AID projects, Cooperative Grain Storage (696-0108) and Local Crop Storage (696-0107), which were initiated in 1978 and 1979, are parallel efforts to the FSM project, addressing storage and marketing needs at the local level. AID has also participated with Catholic Relief Services in a pilot program of local crop storage. Through organization of grain cooperatives and construction of local crop storage facilities, these projects provide farmers the tools for increased control over timing of sales and a wider range of marketing options, thus giving them a role to play in establishing bean and sorghum prices. A major goal of these projects is establishment of a federation of grain cooperatives to link the various local crop storage warehouses and silos to each other

and to the national marketing system represented by GRENARWA. When complete, the system will help to assure adequate local supply and fair and equitable prices for beans and sorghum to both producers and consumers. More efficient, accessible markets, it is believed, will encourage farmers to produce surpluses for commercial sales.

The interdependencies among the three projects described above are readily apparent to anyone who studies them; each of the projects contributes to the success of the others. There are, however, additional levels of service, and additional strengths, which can be built into the food crop storage and marketing system in Rwanda. The FSM II project will reinforce GRENARWA to permit it to perform a third level storage function.

Experience has shown that GRENARWA's long-term storage capacities and buying funds are not adequate for its operations to achieve widespread influence in the national market. Although a future cooperative federation and local market linkages provided by AID-sponsored local crop storage projects will give GRENARWA increased leverage to affect prices, it must have adequate resources if it is to play a truly national role.

Late rains this year and recent crop shortfalls demonstrate again the need for a strategic food storage program in Rwanda. GRENARWA is the best suited government agency to provide the institutional/technical capability to manage a strategic storage service, but it must be strengthened by increased capacities and provided facilities to maintain constant surpluses if it is to serve both marketing and strategic supply functions. GRENARWA has the nuclear staff and experience in grain storage and marketing to permit it to address the question of food security stocks. By doing so, it can also increase its effectiveness as a price stabilization organization.

Three major research studies which are planned or underway will provide assistance to AID in determining the best way of proceeding with expansion of the food storage and marketing program described above. The first, a World Bank study on food commercialization in Rwanda, should offer additional facts and analysis to corroborate, or counter, hypotheses upon which the FSM program has been built, i.e., that inefficient markets are a serious constraint to production. The second, an evaluation of AID's storage and marketing program, including reviews of all four projects noted above, should give an idea of the impact of the AID program. Finally, a multi-donor study on storage needs, which is being organized by the Ministry of Agriculture and Livestock, and in which AID will be asked to participate, will attempt to answer the questions still to be addressed, i.e., how much, what size and type, and where is storage required.

The FSM II Project will be developed based upon the recommendations of these studies, and in keeping with AID/Rwanda's focus in this area, (1) to provide technical expertise, storage capacity, purchasing funds, transport and training necessary to permit current projects to fulfill national, regional and local storage and marketing roles, and (2) to develop a strategic storage ca-

pacity to meet the Government's need to supply markets during periodic food shortages. As an immediate first step, the Government has told the AID office that the technical assistance being provided to GRENARWA cannot be allowed to terminate at the end of 1980 and has requested AID to assure continuation of this assistance.

Host Country Participation: The Government of Rwanda will provide the salaries of local counterparts, land for storage facilities, housing for project technician(s), and a part of the transport and working capital necessary to purchase and move food stocks.

The World Food Program and the Swiss Government contribute large amounts of assistance to GRENARWA, and the World Bank, UNICEF and UNDP have made significant contributions to the local level storage programs. The studies discussed above indicate these organizations' active interest in becoming involved in the next major phases of food storage and marketing programs in Rwanda.

Target Population: An efficient marketing system which serves to stabilize food supply and prices in the countryside will largely benefit the small farmer who has access to the system. The encouragement of an announced price and an available market will assist the farmer in deciding among his options for agricultural production, and can be a means of increasing his income. The national economy will benefit by avoiding large, unforeseen expenditures for the emergency purchase and transport of food during periods of extreme stress.

Project Development: AID/Rwanda expects to extend the contract of the current FSM Project Manager to allow for overlap between the first and second Food Storage and Marketing Projects. This will be necessary in order to ensure that the second project benefits from the institutional memory of the first and in order to ensure the smooth transition into the security stocks program. A PP will be developed, following completion of the studies and evaluations described above, for submission by the third quarter of FY 1981.

PROJECT:	Rural Works
PROJECT NUMBER:	696-0117
APPROPRIATION ACCOUNT:	Selected Development Activities
FY 81 FUNDING:	-
FY 82 FUNDING:	$ 3,000
LOP FUNDING:	$ 3,000

Purpose: To encourage and assist the communes of Rwanda to identify, plan and implement small, labor intensive and economically productive rural works, and to establish a decentralized rural development support system.

Problem and Response: The Government of Rwanda has initiated a policy of devolving important decision-making and project implementation responsibilities to the nation's 143 communes. The commune, with an average population of 35,000, represents the secondary political sub-division of the country, after the ten prefectures. Headed by a "burgomaster", a commune typically has an annual budget of about $15,000, raised primarily from head and livestock taxes and supplemented by central government payments of the salaries of technical personnel. Traditionally, there have been no villages or other population centers larger than the rugo (living compound on the family farm), and the communes thus represent the lowest level of fiscal and political authority working directly with the scattered rural population. To date, the most important devolution to the communes has been giving the burgomasters the primary administrative responsibility for all projects being undertaken in their communes, although the primary technical responsibility remains with the various Ministries (e.g., Agriculture or Health) in Kigali. A Communal Development Fund (CDF) has also been established to put additional revenues from the central government at the disposal of the communes for specific development projects.

AID is already supporting the CDF through the PL 480 Title II, Section 206, program, which is a means of bringing required food into the country as well as providing local currency for useful communal projects. This is limited, however, by the "usual marketing requirement" provisions of the PL 480 program and by the ability of OPROVIA (the national grain marketing board) to sell the imported foods. To have a real impact in this area, a more concentrated effort is needed. This will be provided by a specific bilateral project.

AID has been asked to establish a program of communal development whose core activity will be labor intensive public works conceived and managed by the communes under the guidance of centralized technical advice. The rural works to be financed will be limited to the following areas: improvement and maintenance of farm-to-market roads, improved rural water supply, reforestation/erosion control, and drainage of currently unproductive marsh lands. This project will thus 1) provide resources and experience to strengthen the administrative and implementation capacity of the communes, 2) provide needed and productive rural works of immediate benefit to the population, 3) create useful off-farm rural employment and channel money directly to the lowest level, where it will have a positive multiplier effect on the entire population in the area around the specific works, and 4) provide a vehicle for the

introduction and extension of new and appropriate rural technologies which will help achieve the priority health and agriculture goals of the Government of Rwanda and AID.

Effective labor-intensive implementation of the kinds of activities selected for this project has already been demonstrated in Rwanda. The communes now have sole responsibility for repair and maintenance of nearly two-thirds of the country's road network -- almost entirely farm-to-market roads. Because they lack the necessary engineering skills and simple materials (such as the bridges and culverts required to create more permanent unsurfaced road beds), valuable communal labor is wasted on futile repairs which are destroyed by subsequent heavy rains. Because the efforts are futile, repairs are not always made. Experience with projects for upgrading farm-to-market roads in other developing countries has shown that these improvements lower transportation costs, increase the availability of inputs such as improved seeds and fertilizer, and raise prices paid to farmers. This, in turn, leads to more efficient utilization of existing land resources, higher agricultural production, and a generally higher rural standard of living. Health and social services also become more accessible to the population served by the improved roads.

Supplying rural areas with sanitary drinking and washing water is another priority. The current lack of clean water for these purposes greatly aggravates the environmental problems causing infectious and parasitic diseases. The Dutch Volunteers and the Association Internationale pour le Developpement Rural (a Belgian PVO) are both working on rural water supply projects with an easily replicable, labor intensive, appropriate technology. There is tremendous opportunity here for supplying materials and expertise to help rural Rwandans achieve for themselves projects they want and need.

Deforestation and erosion are two facets of one problem. Firewood is the main rural fuel, and every year more and more forest cover is removed to cook Rwanda's beans. At the same time, erosion becomes more serious and more pervasive as existing farm land is exhausted by over-intensive single-cropping, and as increasingly marginal land on steeper hillsides and formerly forested areas is brought into cultivation. There is already a considerable body of knowledge and experience for combatting this problem. The Swiss Technical Cooperation has been involved for 10 years in a successful reforestation project in Kibuye prefecture. The methods used by the Swiss could be easily duplicated in other regions, and anti-erosion terracing has been practiced, albeit in a limited and irregular manner, for more than 30 years. Again, guidance and materials are a major constraint.

Finally, marsh drainage will open up large tracts of land to agricultural exploitation. Across Rwanda, there are over 50,000 hectares of marsh lands that could be profitably drained for cultivation. Although the drainage of the larger areas would be beyond the scope of any one commune's management and implementation ability, there are many smaller tracts of wet lands that are within their administrative boundaries and capacities. An ILO program for small marsh drainage will provide relevant experience for this facet of the project. Drainage projects by other donors, notably the Chinese and Canadian AID, and the Rwandan Ministry of Public Works, though on a larger scale, will

also be valuable.

Host Country Participation: The Government of Rwanda will contribute personnel, administrative and operational support. The communes themselves will be asked to contribute a certain amount of community labor to the projects, although most of the communal labor resource is committed to other projects over the next few years. The principal implementing agency of the central government will be the Ministry of the Interior. It can be expected that the Ministry of Agriculture and Ministry of Public Works will provide advice and supervision for the more technical aspects of the project.

Target Population: Farm families will benefit directly from the improved access, clean water, etc., when a rural works activity is in their immediate vicinity. Equally direct beneficiaries will be those people employed by these rural works (and, of course, their families), who will receive, in addition to their salaries, useful training in construction and other activities. In more general and less direct terms, the entire population of a commune implementing a rural works will benefit from the administrative and technical competence and skills gained by the burgomaster and his staff in carrying it out.

Project Development: Through FY 80, discussions will continue with the Government of Rwanda and other donors concerning the specific rural works to be implemented. The PID and PP can be expected in FY 81, with obligation of funds in early FY 82.

PROJECT:	Skills Training and Employment
PROJECT NUMBER:	696-0118
APPROPRIATION ACCOUNT:	Education and Human Resources Development
FY 81 FUNDING:	-
FY 82 FUNDING:	$ 1,250
LOP FUNDING:	$ 2,400

Purpose: To establish a program of vocational training to provide productive off-farm employment for unemployed and underemployed rural and semi-urban youths by training them in traditional artisanal and modern industrial and mechanical skills, and by providing assistance in job placement.

Problem and Response: More than 95% of all employment in Rwanda is rural, subsistence agriculture. However, between the estimated annual population growth rate of 3.8% and the extreme pressure already being placed on land resources (a density of about 518 persons per square kilometer of utilized crop land, and an average family farm size of about one hectare), it is evident that agriculture alone cannot absorb all of the 30,000 young men and women entering the labor force every year. While current demographic trends indicate a movement by rural youth to the two real cities, Kigali and Butare, there is a more significant local migration of young people to the prefectoral administrative and other industrial and commercial centers within close commuting distance of their homes. In these rural centers, they generally keep participating in their families' traditional agricultural activities, albeit on a part-time basis. These youths need to be prepared for non-farm employment, not only to enable them to lead more productive lives, but also to create a cadre of skilled crafts-people, mechanics, etc., whose goods and services will be directly accessible to help improve living conditions in the rural areas. A second aspect of the problems being addressed by this project is that Rwanda suffers a chronic shortage, particularly in the rural areas, of all kinds of craftsmen and skilled laborers needed to support the intensive agriculture which is practiced throughout Rwanda and to permit more efficient agricultural practices.

To respond to the Government of Rwanda's request for assistance in this area, AID will mount a general program of training, including job placement. This will include, first of all, the continuation and expansion of AID's current support of the Centre de Formation des Forgerons (Farm Hand Tools project, 696-0103) which, by the end of FY 1982, will have trained sixty young men as blacksmiths. The GOR has requested additional financing to expand the existing facilities, with the eventual goal of placing five trained blacksmiths in each of Rwanda's 143 communes by the end of the decade. These trained blacksmiths will help alleviate the employment situation both directly, by creating rural workshops with job opportunities for other,less trained workers, and indirectly, by adding to the availability of goods and services in the countryside. A second area of training activity will be the establishment of three skills training centers in selected rural population centers. The few existing technical and trades schools tend to cluster around the capital and Butare

and produce only a limited number of graduates (e.g., 55 masons and 40 electricians annually). They do not begin to respond to the demand. AID, then, will assist the GOR in the establishment of technical schools in such fields as masonry, construction, small machine mechanics, electricity, tailoring, etc., which will be located in three selected rural population centers and which can positively contribute to the rural and semi-urban economy.

Another aspect of the project will be the utilization of private enterprise in the urban areas for on-the-job training of school leavers in trade skills. Incentives in the form of salary payments will be established to encourage the private sector to hire and train young men and women according to a training plan and schedule established by the project implementation unit. The private sector will also be used for on-the-job training of advanced students from the training facilities to be established by the project.

Host Country Participation: Over the life of the project, the Government of Rwanda will contribute personnel, administrative and operational support, as well as land for the extension of the Centre de Formation des Forgerons and for the construction of the new technical schools. The principal Rwandan implementing agency will be determined by project design. Either the Ministry of National Education or the Ministry of Youth and Sports would be a logical choice, although the Ministry of the Economy and Commerce will retain operational control of the Centre de Formation des Forgerons through its Directorate of Artisanry and Industry, and will be responsible for maintaining liaison with employing enterprises.

Target Population: The project will attempt to help unemployed and landless rural youth, and their families. The most direct beneficiaries will be the young men and women trained at the various technical training centers and the subsequent productively employed. Another group of beneficiaries will be the families of the trained youth. As the Rwanda CDSS points out (pg.5), the wages of one worker are generally greater than the value of production of the typical farm family, and the ability of one member of the family to secure an off-farm income can make a substantial difference in the life of the family. Less direct beneficiaries, but still of substantial importance, will include the consumers of their goods and services.

Project Development: In the immediate future, AID will continue its discussions with the Rwanda Ministry of Youth and Ministry of the Economy and Commerce concerning the potentials of youth skills training and employment promotion. In late FY 80, AID/Rwanda will seek a private voluntary organization with expertise in this area to develop and eventually implement this activity through an OPG. It is anticipated that the PVO will be in place in Rwanda by early FY 82.

(TABLE V)

Decision Unit: Rwanda

Decision Package: Minimum

DECISION PACKAGE NARRATIVE

The program proposed for funding in FY 82 under the minimum package is, by and large, a program which will establish an institutional experience and data base for development initiatives of the future.

The minimum package provides funding required to continue or complete on-going projects. Without these funds serious disruption in the implementation of these projects will occur. Three projects fall into this category, Fish Culture, Agriculture Sector Survey and Analysis, and Food Storage and Marketing II. Funding for the latter is required not only to continue an on-going project, but also to protect and continue an investment in the marketing and storage sector, an investment which AID began in 1976.

The minimum package will permit the continuation of essential food supplement programs through PL 480 Title II food imports for both PVO's and Section 206 programs. This level will ensure some AID involvement in directly increasing food availability to the people of Rwanda and in encouraging protein production efforts, through the Agricultural Production and Fish Culture projects. Agricultural Production will be the only new start in FY 82 permitted under the minimum level. This project has been under discussion with the GOR since 1979, and a certain expectation of AID-financing has, naturally, been built up over time.

The minimum level will not permit new starts in rural health and family planning or in other sectors. It is expected, however, that funding made available to the rural health/family planning project in FY 81 will be adequate to fund it into FY 83.

It was emphasized in the Rwanda CDSS that AID strategy to assist key development support systems would require an AID commitment to the long-term development of Rwanda at a level where our financial assistance can be meaningful and where it can induce needed policy emphasis and change. "Minimum" financing does not imply that sort of commitment.

At the minimum level, AID's program will be able to focus on only two of the four long-term objectives which were described in the FY 1982 Rwanda Country Development Strategy Statement, i.e., food production and food storage and marketing.

No efforts will be made at minimum level to improve social service delivery infrastructure in the rural areas, to create off-farm employment opportunities for increasing numbers of non-landed and unemployed youth, or to encourage efforts to preserve the soils and forests essential for the long-range

viability of Rwandan development. While the projects which are funded at the minimum level can make a significant difference in the food production and storage sub-sector, and do have positive implications for overall planning in the agricultural sector as a whole, the long-term objectives of the AID program at this level will be compromised unless attention is also given to other constraints to the improvement of the well-being of the rural poor discussed in the Rwanda CDSS.

At the minimum level, it is certain that questions will be raised, certainly by the Government of Rwanda, and also by other donors, of the seriousness of the U.S. intention to assist Rwanda's development. Rwanda is one of the poorest countries in the world. Its economic and development policies are sound. It enjoys virtual food self-sufficiency and its balance of payments situation is in equilibrium. Other countries, better endowed with natural resources, with port facilities, more developed in rural transport and infrastructure, and receiving substantially larger assistance from the donor community, have not been able to use their resources as effectively as Rwanda has used those available to it.

Discussion of Projects which can be Financed Under the "Minimum" Package

Food production increases, a major objective of the AID program, can be achieved through direct intervention in several ways. First, there remains significant hectarage in the valley lands of the country which is readily susceptible to cultivation of rice and other crops appropriate to these soils and water conditions. Spontaneous settlement and farming of these areas has occurred only marginally because the Rwandan farmer is not familiar with the technology of rice and wet-land agriculture, and because financing for the necessary up-front infrastructure has not been available. These lands are also inaccessible. With Rwanda's rapidly expanding population and with the increasingly high cost of food on the world market and of its transport to Rwanda, the economics become more favorable for serious study of possible development of valley and marsh lands. AID, with significant experience in Asia and Latin America, is uniquely qualified to be of assistance in this area. Second, alternative crop production, including the production of fish, small ruminants, poultry, etc., offers an excellent supplement to basic food crop production to meet expanding food and nutrition needs.

An "Area Agricultural Production" project will be initiated with FY 82 minimum level funding. This project culminates several years of discussion and design effort with the Ministry of Agriculture and with other donors to open new lands for settlement. A description of this project is provided in Table IV of this ABS.

A second production project, Fish Culture in Rwanda (696-0112), will have received initial funding in FY 81. The minimum level requested in FY 82 will provide LOP funding for this project. The Fish Culture project is being implemented in close collaboration with an IDRC (Canadian) project for research and training. The AID project will provide additional assistance to the training center to permit training of cooperative and youth group leaders, and to individual farmers, in the techniques of small pond fish production. The AID project will also strengthen the agriculture extension agents' ability to work with small pond fish production.

Essential to the strategy to increase rural production is the effort to improve the country's capacity for agricultural planning and policy formulation. Given the limited resources available to Rwanda, its dwindling land resources vis-a-vis a growing population, its need to look inward in the face of rising food and oil costs on the world market, AID considers it essential that a solid agricultural data base be developed. The government's capacity to use this data as an analytical tool for rational development planning must also be strengthened.

Many donors are involved in multiple efforts to increase food production in Rwanda, but no one really knows, since statistics available to the Ministry of Agriculture are totally unreliable, what and how much farmers produce, what induces them to plant what they plant, and what they do with what they produce. Because of this, much of the long-term planning within the Ministry of Agricure and within the Government as a whole is based on very doubtful information, and many of the most imaginative and innovative ideas about improved farming in Rwanda may fail because that planning and those ideas have been based on false assumptions. Accurate information about agricultural production and farmer incentives is elemental to improvements in farming technology on Rwanda's collines. The Rwanda Agricultural Survey and Analysis (696-0115) which will establish a continuing system for accurate collection and analysis of agricultural data, is of basic importance to improved agricultural planning, extension and increased production in Rwanda.

Work on this project began in mid-1979 with centrally-funded technical assistance from the U.S. Bureau of the Census. The funding requested in FY 1982 will permit timely execution of a full-scale agricultural survey which follows AID-funded pilot surveys carried with the Ministry of Agriculture during FY 1981.

Over the past five years, AID has attempted to develop with the Government of Rwanda two interdependent levels of food storage and marketing systems, one local and one national. The first AID-funded Food Storage and Marketing project (696-0100) established a national bean and sorghum marketing agency which increased interregional marketing efficiency and helped to stabilize bean and sorghum prices through a national storage and sales program. Two other projects, Cooperative Grain Storage (696-0108) and Local Crop Storage (696-0107) are designed, as parallel efforts with the national program, to address storage and marketing needs at the local level. Success of each of these projects is interdependent upon the establishment of a third level involving strategic food stocks. AID/Rwanda is planning to participate in studies and evaluations which will help outline a follow-on project, Food Storage and Marketing Phase II (696-0116), to improve the viability of the national program through establishment of firmer linkages with the local programs -- and through initiation of efforts to build a national food security stock.

AID/Rwanda believes this project and the program it supports to be necessary to the consolidation of almost $6 million in investments which AID has already made in the area of food storage and marketing, basic to the creation of incentives necessary to encourage increased food production, and important in its potential for helping Rwanda to weather periodic food shortages without resorting to emergency food imports and/or creating impossible demands upon Rwandan government marketing institutions.

The $500,000 requested for this project at minimum level will complement a small amount of funding provided in FY 81 and will allow procurement of technical assistance to carry out the creation of a national food security stock, train Rwandans to manage that stock, and build enough silo capacity to initiate a program once buying funds are made available. Since connections between the local, national and security storage programs will be essential, the technical assistance provided under the project will serve to reinforce those program linkages.

PL 480 Title II

PL 480 food supplement programs administered by Catholic Relief Services (CRS) and the Seventh-day Adventist World Service (SAWS) provide AID the opportunity to be involved in humanitarian relief programs which also serve long-term development goals. AID cannot ignore the current problems of Rwanda's rural poor to concentrate on long-term solutions to their problems. The PVO-managed food supplement programs represent a cost efficient and effective way for AID to fulfill its immediate responsibilities to the present Rwandan population,while not diverting attention from a longer-term AID development role. Because of the management provided by the SAWS and CRS organizations, the PL 480 program, amounting to just under $3 million in FY 1982, will require only about 3 person-months of direct-hire personnel time. Thus, this oldest of all current AID programs in Rwanda, remains, unquestionably, among the highest priority programs which AID will support over the next few years -- particularly in view of the necessity to increase program levels while maintaining direct-hire personnel levels.

The PL 480 Title II PVO food programs will provide supplementary foods and instruction in improved nutritional practices to more than 120,000 Rwandans during FY 1982.

A second Title II program, food imports and local currency generation, under the Section 206 provision of Title II, was begun in 1980 and will be continued in the minimum level of funding in FY 82. This program has been an excellent vehicle for providing food imports while at the same time, with the local currencies generated from the sale of the food, supporting grass-roots development. The generated currencies are provided to the local (communal) government authorities to carry out projects which the commune committees themselves determine to be essential and which, for the most part, they implement themselves. Imports of approximately 2,000 tons of food, including oil, cornflour, wheat flour and rice, will constitute the program in FY 82.

Decision Unit: Rwanda

Decision Package: Current

The Current Decision Package provides funding to reinforce AID's food production and food marketing objectives while also addressing rural services delivery (infrastructure), rural employment and resource conservation objectives which are overlooked at minimum level.

Current level funding will permit strong implementation of the Government's strategic food stock program by providing adequate buying funds, through the Food Storage and Marketing II project (696-0116), for initial food purchases. These stock purchases will reduce dependency upon emergency foreign food imports by allowing pre-positioning of food supplies to meet short-term food shortfalls. The funding provided at this level will permit start-up of two new projects, the Rural Works project (696-0117) and the Skills Training and Employment project (696-0118). Both of these projects represent efforts by AID to address serious unemployment rates and rural infrastructure weaknesses which impede Rwandan development efforts.

The delegation to the communes of the authority for carrying out development, as well as certain fiscal and financial responsibilities, is at the core of the Government's plan to improve the quantity and quality of basic services available to the rural population. The ability of the commune to involve the rural population in decision making and to secure their participation, through umuganda (community participation through donation of labor), in the development of their communes, has been demonstrated and is supported by AID. AID strategy is to support the improvement of the organizational and operational capacity of the communes. This can be done by providing assistance in organizational development, fiscal planning, etc., and by supporting the Government's Communal Development Fund which finances projects proposed and implemented by the commune.

The Rural Works project will encourage the Government's current initiative toward decentralization of rural development efforts by supporting certain types of projects to be funded by the Communal Development Fund. Sub-projects will be targetted at improving rural access to social services and commercial markets through improvement of roads; increasing available arable land by draining marshes or irrigating dry valleys with low-lift irrigation systems; reducing soil erosion through terracing and reforestation; and reducing incidence of water-borne disease through provision of clean water distribution systems.

Increasing opportunities for employment in the rural sector, both on-farm and off-farm, is an important component of the Government's priorities and is a key element in AID strategy to support growth and equity in rural Rwanda. The urban private sector can absorb only a fraction of the youth entering the job market each year, and the agriculture sector is in no position to provide viable opportunities over the long-run. AID strategy in this area involves

three approaches: (1) create new agriculture opportunities through development of new lands; (2) create off-farm job opportunities through agri-related cottage and artisan industries; and (3) through labor intensive public works. The Skills Training and Employment project provides employment through the second approach. AID began support to a blacksmith training project in FY 1978 which, by the end of 1982, will have trained more than 60 young men in a trade which will permit them to establish themselves and employ other young people for whom the shortage of arable land has closed subsistance farming as a work option. The Skills Training and Employment project will continue the blacksmith project and expand the skills training effort into other craft areas, establishing three additional artisanal training facilities in selected rural population centers of Rwanda.

Decision Unit: Rwanda

Decision Package: AAPL

The $12 million AAPL level for Rwanda for FY 82 is commensurate with need, with Rwanda's expectations of the levels of USG funding, and the progress and commitment to development which Rwanda has displayed over the past several years. Rwanda is one of the poorest countries of the world. It finds itself in the unenviable position of being both extremely small and landlocked. Rwanda is particularly sensitive to actions in neighboring countries which can impede the flow of commerce into and out of the country, and thus profoundly influence the rhythm and pace of development.

The dialogue with Rwandan officials over the past several years concerning AID development concerns has raised expectations for levels of AID funding which are sufficient to have an impact on major development problems here. The GOR has responded to AID initiatives by looking to AID as a principal donor in several areas -- including food grain marketing and storage, rural health and family planning, agricultural education, agricultural sector survey and analysis -- and to seek AID assistance in support of other donor activities where the U.S. has a particular expertise and knowledge, such as in fish production, irrigation, and energy development. U.S. acceptance to support the development of the poor countries of the world clearly included Rwanda.

Rwanda has displayed remarkable economic stability. It has maximized the benefits of favorable rainfall and soil conditions and a hardworking populace to achieve near food self-sufficiency for its 5 million people, and a stable balance of payments, an attainment which compares favorably with other African countries with similar population levels and more favorable geographic situations and more exploitable resources.

A funding level of $12 million in FY 82, if assured, and increased in future years, and if used judiciously, can achieve substantial results.

Much of the AID assistance over the next several years will be establishing infrastructure and pilot programs to research and test development interventions for later, wider replication. AID assistance in agriculture, health and education planning presents an excellent opportunity to influence development policy, an influence which will be broader than the relatively low level of development assistance which AID will be providing would imply. Funding at this level, for the programs outlined in this ABS, will also signal an AID commitment to long-term development of Rwanda.

The AAPL level of $12 million will permit a balanced program for the implementation of the Rwanda CDSS objectives. Projects to increase food production can be substantially funded at this level. The Rwanda Fish Culture project will receive life-of-project funding and a major Area Agricultural Production project will begin. Two projects whose objectives are to put into place essential rural development and rural development information support

systems, Agricultural Sector Survey and the Food Storage and Marketing II, will receive full funding at this level. Social service delivery and employment generation in the rural areas will be addressed and a meaningful conservation program put into place through the Rural Works project, fully funded at this level, and the Skills Training project.

Development efforts being carried out in Rwanda eventually run face up against the very high population growth rate which has stagnated the rural economy and threatens to throw the country into a serious food supply crisis before the end of the century. The Government is moving cautiously in the area of family planning, more cautiously than the donors would like perhaps, but given the conflicting religious and cultural biases here, it may be as fast as the country can go. The decision to move forward quickly on family planning is a political decision in which the rural population is little involved. The average farmer only knows that he is having an increasingly difficult time caring for his family. He is at a loss to do more without government decision and assistance. The AID program must be careful not to penalize the farmer because the government has not taken a strong stand on a position which we think must be addressed quickly.

The fact that AID funds are not requested in FY 82 for family planning by no means implies a reduced interest on the part of the mission in this aspect of the total program. We are fully aware of the importance of a rational family planning effort. It is, however, an indication that the family planning effort can only absorb a fixed amount over the next few years, that that amount is available, and that other objectives of importance in this stage of Rwanda's development must be addressed.

A strong population program, even one begun immediately, will only see results over the long-term. Such a program must be accompanied by a very strong program to improve production and living conditions over the short-term. AID is proposing a program for rural health and family planning with substantial funding in both FY 80 and 81 which will forward fund the program into FY 83. Other donor funding by Pathfinder, UNFPA and the World Bank, will also be available.

Bureau Code: Decision Code:

DECISION UNIT

TABLE V - FY 1982 PROPOSED PROGRAM RANKING

RANK	DECISION PACKAGES/PROGRAM ACTIVITY DESCRIPTION	PIPELINE/ ONGOING/ NEW	LOAN/ GRANT	APPROP. ACCT.	PROGRAM FUNDING ($000) INCR	PROGRAM FUNDING ($000) CUM	WORKFORCE (Number of Positions) USDH INCR	USDH CUM	FNDH INCR	FNDH CUM
	DECISION PACKAGE MINIMUM									
	Pipeline Projects									
	696-0107 Local Crop Storage	P	G	FN	(1,519)	(1,519)				
	696-0109 Agricultural Education	P	G	FN	(3,296)	(4,815)				
	696-0113 Rural Health and Family Planning	P	G	FN	(1,685)	(6,500)				
	Subtotal					(6,500)	5	5	5	5
	New and Continuing Projects									
1.	696-0116 Food Storage and Marketing II	O	G	FN	500	500				
2.	696-0115 Rwanda Agriculture Survey and Analysis	O	G	FN	1,250	1,750				
3.	PL 480 Title II									
	Catholic Relief Services (CRS)	O			(2,921)	1,750				
	Seventh-day Advantist Worls Service (SAWS)	O			(460)	1,750				
4.	PL 480 Title II									
	Section 206 Communal Development Fund	O			(750)	1,750				
5.	696-0112 Fish Culture in Rwanda	O	G	FN	1,085	2,835				
6.	696-0110 Area Agricultural Production	N	G	FN	1,315	4,150				
	Total Minimum Package and Related Workforce					4,150		5		5
	DECISION PACKAGE CURRENT									
7.	696-0116 Food Storage and Marketing II	O	G	FN	530	4,680				
8.	696-0117 Rural Works	N	G	SD	1,400	6,080				
9.	696-0118 Skills Training and Employment	N	G	EH	350	6,430				
10.	Basic Workforce						1	6	1	6
	Total Current Package and Related Workforce					6,430		6*		6**
	DECISION PACKAGE AAPL									
11.	696-0116 Food Storage and Marketing II	O	G	FN	950	7,380				
12.	696-0115 Rwanda Agriculture Survey and Analysis	O	G	FN	1,070	8,450				
13.	696-0110 Area Agricultural Production	N	G	FN	1,050	9,500				
14.	696-0117 Rural Works	N	G	SD	1,600	11,100				
15.	696-0118 Skills Training and Employment	N	G	EH	900	12,000				
	Total AAPL Package and Related Workforce					12,000		6*		6

AID 1330-9 (4-80)

* USDH Workforce Levels assume approx. 2 person years of design and engineering assistance from REDSO or AID/W.

** Personnel Planning level of 6 USDH, 6 FSN.

TABLE VI
PROJECT SUMMARY

NUMBER OF PROJECTS

	FY 79	FY 80	FY 81	FY 82 MIN	FY 82 CURR	FY 82 AAPL
IMPLEMENTATION AT BEGINNING OF YEAR.....	3	8	10	14	14	14
MOVING FROM DESIGN TO IMPLEMENTATION DURING YEAR.....	5	3	6	1	3	3
DESIGN FOR FUTURE YEAR IMPLEMENTATION.....	7	8	3	2	-	-
SUBTOTAL.....	15	19	19	17	17	17
NUMBER OF NON-PROJECT ACTIVITIES.....	2	2	3	3	3	3
TOTAL.....	17	21	22	20	20	20

NUMBER OF PROJECTS MOVING FROM DESIGN TO IMPLEMENTATION BY PROJECT SIZE

AID'S CONTRIBUTION TO LIFE OF PROJECT COST

	FY 79	FY 80	FY 81	FY 82 MIN	FY 82 CURR	FY 82 AAPL
LESS THAN $1 MILLION.....	3	3	2			
$1 TO $5 MILLION.....	1		3	1	3	
$5 TO $15 MILLION.....	1		1			
$15 TO $25 MILLION.....						
MORE THAN $25 MILLION.....						

TABLE VII
OPERATING EXPENSE FUNDED PERSONNEL
YEAR END POSITIONS

FUNCTIONS	FY 79				FY 80				FY 81			
	USDH	FNDH	US CONT	FN CONT	USDH	FNDH	US CONT	FN CONT	USDH	FNDH	US CONT	FN CONT
Executive Direction	2	1			2	1			1	1		
Program Planning	1				1				1			
Project Design	(2)*				(2)*				(2)*			
Project Implementation					1				3			
Financial Management												
Mission Support		4			1	4			1	5		
Non Mission Specific												
TOTAL.....	3	5	-	-	5	5	-	-	6	6	-	-
PLUS: PASAs (OE & Program)	1				1				1			
LESS: JAO Details	-	IDIs			-	IDIs			-	IDIs		
MODE Required	6	-			6	-			6	-		

* Illustrative (non-add) figures representing continuing dependence of AID/Rwanda upon AID/W and REDSO/EA for project design.

TABLE VII

FUNCTIONS	FY 82 MINIMUM				FY 82 CURRENT				FY 82 AAPL			
	USDH	FNDH	US CONT	FN CONT	USDH	FNDH	US CONT	FN CONT	USDH	FNDH	US CONT	FN CONT
Executive Direction	1	1			1	1			1	1		
Program Planning	1				1				1			
Project Design	(2)*				(2)*				(2)*			
Project Implementation	3				3				3			
Financial Management												
Mission Support	1	5			1	5			1	5		
Non Mission Specific												
TOTAL.....	6	6	–	–	6	6	–	–	6	6	–	–
PLUS: PASAs (OE & Program)	–				–				–			
LESS: JAO Details	–	IDIs			–	IDIs			–	IDIs		
MODE Required	6	–			6	–			6	–		

* Illustrative (non-add) figures representing continuing dependence of AID/Rwanda upon AID/W and REDSO/EA for project design.

TABLE VIII

OPERATING EXPENSE SUMMARY

COST SUMMARIES	FY 1979			FY 1980			FY 1981		
	($000's)	Related Workyear	Unit Cost	($000's)	Related Workyear	Unit Cost	($000's)	Related Workyear	Unit Cost
US Direct Hire	248.1	6	41.3	264.5	5	52.9	342.7	6	57.1
FN Direct Hire	34.7	5	6.9	26.0	5	5.2	35.3	6	5.9
US Contract Pers.							30.5	1	30.5
FN Contract Pers.									
Housing Expense	136.5	6	22.8	121.8	6	20.3	127.0	6	21.2
Office Operations	75.9	xx	xx	74.0	xx	xx	99.8	xx	xx
Total Budget	495.2	xxx	xxx	486.3	xx	xx	635.3	xx	xx
Mission Allotment	282.0	xxx	xxx	274.0	xx	xx	373.0	xx	xx
FAAS	13.7	xxx	xxx	20.2	xx	xx	22.8	xx	xx
Trust Fund	-	xxx	xxx	-	xx	xx	-	xx	xx

TABLE VIII

COST SUMMARIES	FY 1982 MINIMUM			FY 1982 CURRENT			FY 1982 AAPL		
	($000's)	Related Workyear	Unit Cost	(000's)	Related Workyear	Unit Cost	($000's)	Related Workyear	Unit Cost
US Direct Hire	302.0	5	60.4	362.2*	6	60.4	362.2*	6	60.4
FN Direct Hire	31.5	5	6.3	37.7	6	6.3	37.7	6	6.3
US Contract Pers.	25.5	0.5	30.5	30.5	1	30.5	30.5	1	30.5
FN Contract Pers.									
Housing Expense	109.5	5	21.9	131.8	6	21.9	131.8	6	21.9
Office Operations		xx	xx	129.4	xx	xx	129.4	xx	xx
Total Budget	468.5	xx	xx	691.6	xx	xx	691.6	xx	xx
Mission Allotment	351.5	xx	xx	408.2	xx	xx	408.2	xx	xx
FAAS	62.0	xx	xx	75.0	xx	xx	75.0	xx	xx
Trust Fund		xx	xx		xx	xx		xx	xx

* Salaries include one resident hire at 13.7 per annum. This person is not shown under USDH ceiling.

Decision Unit: Rwanda

Operating Expense Budget

(Summary Explanations)

1. OE dollar expenses are broken down as follows:

A. U.S. direct-hire code 11 and 12 personnel costs $262,300 (41% of the total operating budget). Although these costs are paid by Washington, we show them here as part of the overall budget calculations. Other USDH costs account for $80,400 (13% of the budget). U.S. contract personnel costs account for $30,500 (5% of the budget).

B. Local personnel costs $35,300 (5% of budget). The accepted ratio of two local hire employees to each U.S. direct-hire has not been achieved in Rwanda. The mission is currently operating on a less than one-to-one basis. This ratio will be raised to one-to-one in FY 81, but the mission considers local secretarial and professional support to be inadequate to support the resident direct-hire staff and TDY support missions. Local personnel costs will increase by 10%, plus periodic step increases, over the FY 80 approved OE budget, not taking into account a sixth FSN salary.

C. Housing costs $126,642 (20% of budget). While the cost of housing is estimated to be rising by 15% a year in Kigali, there will be only a slight increase in lease costs for U.S. personnel in FY 81 over FY 80. Some ancillary costs (furniture, purchases, painting, water storage units, etc.) which were deferred in FY 80, can be delayed no longer and are budgeted in FY 81.

D. Office operation costs $99,750 (16% of budget). The cost of running the office will increase by 32% over FY 80. The increase in U.S. staff during the past six months, and the arrival of a sixth direct-hire officer in December 1980, along with the increased number of REDSO, AID/W and contract program support missions required by the expanding program, necessitates an increase in this area.

2. U.S. Direct-hire Personnel:

The increases in the budget in this category are due to the fact that the post is expected to be fully staffed in FY 81. The Management Officer and the Health and Population Officer arrived in early February 1980, bringing the total to five USDH's. The Agricultural Officer has been hired, and is presently in orientation classes and language training. He is expected to arrive in Rwanda early in the first quarter of FY 81. The costs for his assignment are budgeted in FY 81.

There will be one replacement in FY 81, for the Program Officer position. While there is already a nomination, travel will not begin until FY 81 and funds for travel of the family to post are budgeted in FY 81.

3. Local-hire Personnel:

A 10% increase has been built into FSN salaries for FY 81 in addition to Periodic Step Increases. An across-the-board increase in government and private sector salaries, expected to be decreed in 1981, is the basis for a 10% increase. Also included in FY 81 is the hiring of a sixth FSN, a local or TCN professional at a salary of $12,000 per annum. A straight 10% increase is budgeted for FY 82 over FY 81 levels, representing both periodic step increases and promotions.

4. Housing:

Wherever possible, options to renew are included in leases. These options have resulted in substantial savings in the past, and will continue to do so in the future. AID rents will increase only slightly during FY 81, and are expected to increase only 3% in 1982.

One lease will come up for renewal or renegotiation throughout FY 81, and only four will be renewable in FY 82; one at the end of the first quarter; one at the end of the second quarter; and two at the end of the third quarter. The lease renewable at the end of the second quarter is being pre-paid this fiscal year in advance for FY 81, at the request of the homeowner. AID is considering not renewing the lease on one house, however, because the city has routed heavy trucks to within 20 meters of it, and the noise has rendered the house virtually uninhabitable. We can expect to pay slightly more on a new lease. This accounts for the increase in lease costs in FY 81 over FY 80.

Section 636(c) funds are budgeted for the purchase of one house in FY 81 and one in FY 82. The rapid increases in rents will hit in FY 83, when present rental arrangements begin to expire and landlords can demand large increases. We can expect to pay, after that time, an average of $15,400 per year. Housing for purchase is scarce in Rwanda because owners can amortize their entire investment in a relatively short time. The opportunity to purchase two houses, at exceptional value, from a departing expatriate were missed in FY 80 because of lack of funds. AID/Rwanda wants to be able to take advantage of similar opportunities which may arise over the next several years.

The purchase of two sets of furniture, one as replacement for odds and ends now being used, and one for the arriving Agricultural Officer, were deferred from FY 80 but must be ordered in FY 81.

To conserve fuel and to reduce wear and tear on the vehicle fleet, AID/Rwanda plans to purchase two small motorcycles, about 125 cc, to be used by the chauffeurs for errands in Kigali, to replace the present practice of using the AID vehicles for such errands.

5. Office Operations:

AID will continue in its present location for the next year. In 1982, a move to a building within the Embassy compound is contemplated. This would require an estimated decrease of rent from the present $20,000 to $19,000 annually. Renovations required to adapt the building for AID's purposes, will

require an estimated $10,000. With the exception of the purchase of a photocopy machine in FY 80, office equipment and furniture purchases were deferred in FY 80. The increase in these items for FY 81 represents the purchase of two typewriters, one as a replacement for the secretary's and one as a back-up. Typewriter repair in Kigali is virtually non-existant. For major repairs, the machines must be sent to Nairobi. Office furniture in the form of two desks, chairs, bookcases, etc., are also required.

International travel in FY 81 and 82 will be kept to a minimum. Six trips within Africa are budgeted for the six direct-hire staff. These trips include consultation with REDSO in Nairobi, the annual design conference, and attendance at regional conferences (Health and Agriculture, for example). Three trips to the U.S. for consultation (CDSS, PP reviews) are included, as are four trips for TDY personnel from AID/W (average stay of 3 weeks in Rwanda) for project design and evaluation. Medical evaluations (2 to Nairobi and 1 to Europe) are budgeted. Domestic operational travel will be maintained at about the same level as FY 80.

There will be an increase in costs for supplies and materials relative to the increase in staff.

TABLE IX - SUPPORTING DATA ON PROPOSED PROGRAM RANKING POSITION REQUIREMENTS - FY 1980-1982

(By Function, Organizational Unit, Position Title and Professional Speciality)

DECISION UNIT
AID/Rwanda

Minimum, Current and AAPL

FUNCTION/ORGANIZATIONAL UNIT/ POSITION TITLE/PROFESSIONAL SPECIALITY	NUMBER OF POSITIONS									
	FY 1980		FY 1981		FY 1982					
					Minimum		Current		AAPL	
	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH
Executive Direction										
AID Affairs Officer	1		1		1		1		1	
Executive Assistant	1		-		-		-		-	
Secretary	-	1	-	1	-	1	-	1	-	1
Sub-total Executive Direction	2	1	1	1	1	1	1	1	1	1
Program Planning										
Program Officer	1		1		1		1		1	
Sub-total Program Planning	1		1		1		1		1	
Project Implementation*										
Agricultural Development Officer	-		1		1		1		1	
Health & Family Planning Development Officer	1		1		1		1		1	
Project Assistant	-		1		-		1		1	
Sub-total Project Design & Implementation	1		3		2		3		3	
Mission Support										
Management Officer	1		1		1		1		1	
All Other (non-professional)	-	4	-	5	-	4	-	5	-	5
Sub-total Mission Support	1	4	1	5	1	4	1	5	1	5
Total Increment	5	5	6	6	5	5	6	6	6	6
Cumulative Total	5	5	6	6	5	5	6	6	6	6

* Assumes up to 2.0 person years of outside assistance from REDSO/EA and/or AID/W for project design & engineering support.

AID 1330-18 (4-80)

DECISION UNIT: Rwanda

TABLE X SPECIAL CONCERNS
ADDITIONAL PROJECTS

PROJECT NUMBER AND TITLE	APPROP	CONCERN CODE		FUNDING FOR SPECIAL CONCERN ($000)				
						FY 1982		
		PRIME	SUB 1/	FY 1980	FY 1981	MINIMUM	CURRENT	AAPL
696-0107 Local Crop Storage	FN	PVO		200	-	-	-	-
696-0110 Area Agricultural Production	FN	ENVR	5	-	-	700	-	500
696-0117 Rural Works	SD	ENVR	4	-	-	700	-	800
696-0118 Skills Training and Employment	SD	PVO		-	-	-	250	1,500
696-0113 Rural Health and Family Planning	PN	WID		300	300	-	-	-

1/ Use only for Environment Activities

FY 1982 ANNUAL BUDGET SUBMISSION
PROJECT BUDGETS AND OBLIGATIONS
TO MEET SPECIAL CONCERNS
(THOUSANDS OF DOLLARS)

DECISION UNIT: 696 RWANDA

TABLE X

PROJECT NUMBER AND TITLE: 6960109 AGRICULTURAL EDUCATION

APPROPRIATION: AGRICULTURE, RURAL DEV. AND NUTRITION

A. BUDGET IN CP: FY 1980 - $ 977 BUDGET IN ABS: FY 1980 - $_____

FY 1981 - $ 2044 FY 1981 - $ 2,284

FY 1982 - MINIMUM: $ — CURRENT: $ — AAPL: $ —

B. OBLIGATIONS TO MEET SPECIAL CONCERNS:

ADP ITEM	CONCERN	SUB-CODE	1980 BUDGET IN CP	1980 BUDGET IN ABS	1981 BUDGET IN CP	1981 BUDGET IN ABS	1982 BUDGET IN ABS MINIMUM:	1982 BUDGET IN ABS CURRENT:	1982 BUDGET IN ABS APPL:
677	WID		$ 342	$____	$ 715	$ 397	$ —	$ —	$ —

PROJECT NUMBER AND TITLE: 6960112 FISH CULTURE

APPROPRIATION: AGRICULTURE, RURAL DEV. AND NUTRITION

A. BUDGET IN CP: FY 1980 - $ 0 BUDGET IN ABS: FY 1980 - $_____

FY 1981 - $ 1165 FY 1981 - $_____

FY 1982 - MINIMUM: $ 1,085 CURRENT: $ — AAPL: $ —

B. OBLIGATIONS TO MEET SPECIAL CONCERNS:

ADP ITEM	CONCERN	SUB-CODE	1980 BUDGET IN CP	1980 BUDGET IN ABS	1981 BUDGET IN CP	1981 BUDGET IN ABS	1982 BUDGET IN ABS MINIMUM:	1982 BUDGET IN ABS CURRENT:	1982 BUDGET IN ABS APPL:
2667	ENVR	4	$ 0	$____	$ 583	$ 1,165	$ 1,085	$ —	$ —

42.

Decision Unit: Rwanda

PL 480 Title II

Narrative

The Role of PL 480 in AID's Development Strategy in Rwanda

A priority of the Rwandan Government's current Five-year Plan (1977-81) is increased agricultural production and food self-sufficiency. Agricultural production in Rwanda averages approximately 3.8 million metric tons annually. About 1% of this total, 38,000 MT, is made up of cash crops. To meet minimum food requirements, Rwanda would have to import 65,000 MT of food annually. In fact, minimum requirements are not met and only about 15,000 MT are imported during years when emergency imports are avoided. The 50,000 MT shortfall, which is corroborated by other statistics showing that the average Rwandan receives only about 85% of nutritional requirements, explains why malnutrition is one of the primary health concerns of Rwanda.

According to Rwandan Government projections, the agricultural sector is expected to grow at a rate of approximately 3% per year, The population growth rate, however, is nearing 4% per annum, and even though farmers have managed to achieve the planned 3% annual production increase over the past few years, they have apparently done so by reducing the portion of land traditionally set aside for fallow, and by expanding cultivation to pasture and other marginal lands. There is obviously a limit to this expansion. Although the Government is undertaking a wide variety of programs to bring the population/land/food equation into a more healthy balance, there will continue to be a need for PL 480 Title II distributions in Rwanda for the foreseeable future. Food represents a central focus and concern of the rural population, the group which must implement the changes in agricultural production, health and nutrition practices required to bring about a more suitable level of food self-sufficiency. A limited but targeted provision of food, offered in connection with instruction, encouragement and demonstration in improved agricultural, sanitation or nutritional practices, provides special opportunity for introducing change into the rural milieu. Thus, PL 480 Title II foods represent an effective instrument for bringing about basic rural development goals which the Government of Rwanda and AID hope to achieve. It delivers both improved capacity for acceptance of change and increased motivation for change execution.

AID's overall goal of ensuring food availability is served by the Title II program in three ways: first, the program provides supplemental food to people for whom adequate supplies are not available; second, it serves as a tool for teaching more nutritious and effective uses of foods which are available; and third, through courses at nutrition centers and at schools supplied by PL 480 foods, it offers the opportunity to teach agricultural techniques aimed at increasing available food supplies.

Within this context, the Title II programs administered by Catholic Relief Services (CRS) and the Seventh-day Advantist World Service (SAWS) assume an indispensible position in the AID program strategy. These programs serve humanitarian purposes but also support the important development objectives of increasing food production through instruction in improved food selection and cultivating techniques, and improving nutritional standards through improved uses of locally available foods.

The need for this type of food program will eventually be reduced, but only if every development resource is brought effectively to bear on problems of a rural population healthy enough to make use of the resources. These programs presently provide the means to re-establish nutritional health and the motivation to pursue alternative methods of supplying food to maintain it.

FY 1982 ANNUAL BUDGET SUBMISSION

TABLE XIII

PL 480 TITLE II

I. Country: Rwanda
Sponsor's Name: Catholic Relief Services - USCC

A. Maternal and Child Health (Mother and Child) Total Recipients: 62,000

No.of Recipients by Commodity	Name of Commodity	(thousands) Kgs	Dollars
62.0	SF cornmeal	1,364.0	381.9
62.0	NFD milk	1,364.0	571.5
62.0	Veg.oil	682.0	678.6
Total MCH		3,410.0	1,632.0

B. School Feeding Total Recipients: 32,850

No.of Recipients by Commodity	Name of Commodity	(thousands) Kgs	Dollars
32.9	SF cornmeal	468.7	131.2
32.9	NFD milk	249.7	104.6
32.9	Rice	499.3	187.7
32.9	Veg.oil	170.4	170.0
32.9	Bread flour	732.2	241.6
Total School Feeding		2,120.3	835.1

C. Pre-school Child Feeding Total Recipients: 4,000

No.of Recipients by Commodity	Name of Commodity	(thousands) Kgs	Dollars
4.0	SF Cornmeal	96.0	26.9
4.0	NFD milk	96.0	40.2
4.0	Veg.oil	48.0	47.8
Total Pre-school Feeding		240.0	114.9

D. Other Child Feeding Total Recipients: 3,450

No.of Recipients by Commodity	Name of Commodity	(thousands) Kgs	Dollars
3.5	SF Cornmeal	124.2	34.8
3.5	NFD milk	41.4	17.3
3.5	Rice	41.4	15.6

3.5	Veg.oil	20.7	20.6
3.5	Bread flour	144.9	47.8
Total Other Child Feeding		372.6	136.1

E. Food for Work — Total Recipients: 100

No.of Recipients by Commodity	Name of Commodity	(thousands) Kgs	Dollars
0.1	Rice	79.2	29.8
0.1	Veg.oil	0.6	.6
0.1	Cornmeal	79.2	22.2
Total Food for Work		159.0	52.6

F. Welfare — Total Recipients: 4,600

No.of Recipients by Commodity	Name of Commodity	(thousands) Kgs	Dollars
4.6	SF cornmeal	193.2	54.1
4.6	Rice	110.4	41.5
4.6	Veg.oil	27.6	27.5
4.6	Bread flour	82.8	27.3
Total Welfare		414.0	150.4

II. Sponsor's Name: Catholic Relief Services - USCC

CATHOLIC RELIEF SERVICES UNITED STATES CATHOLIC CONFERENCE

RWANDA PROGRAMME

Cable Adresse :

GATHWEL KIGALI

B.P. 65 KIGALI

Tél. : 5740

CATHOLIC RELIEF SERVICES - USCC

PL 480 TITLE II FOOD PROGRAM PLAN

FISCAL YEAR 1982

Prepared by: David F. Piraino/
Bill McLaurin

Date: May 9, 1980

CATHOLIC RELIEF SERVICES - USCC

PL 480 TITLE II FOOD PROGRAM PLAN

FISCAL YEAR 1982

ELEMENTS OF OPERATIONS

IDENTIFICATION:

Distributing Agency:	Catholic Relief Services, 1011 First Avenue, New York, N.Y.
Local Address:	Catholic Relief Services, B. P. 65, Kigali, Rwanda
Country:	Rwanda
Date Submitted:	May 9, 1980
Counterparts:	Ministry of Social Affairs and Cooperative Movement, B. P. 60, Kigali, Rwanda
	Caritas/Rwanda, B. P. 124, Kigali, Rwanda
Supervisory Staff:	Mr. David F. Piraino Program Director
	Mr. William E. McLaurin Program Assistant
	Mr. Aloys Muhikira Administrative Assistant
	Miss Nicole Catrais Pre-school Supervisor
	Miss Francoise Nambaza Asst. Pre-school Supervisor
	Mr. Jean Leonard Gaparaya Shipping Clerk
	Mr. Bernard Twagirumikaza End-use Checker
	Mr. Zacharie Kamanzi End-use checker
	Mr. Francois Murwawengabo College St Andre

Mr. Alphonse Kalima
College St Andre

Mr. Anaclet Hitimana
College St Andre

AGENCY AGREEMENTS:

Catholic Relief Services has written agreements with the Government of Rwanda and the recipient centers relating to PL 480 Title II food distribution.

Catholic Relief Services does not operate under a "blanket" agreement between the Government of Rwanda and the Government of the United States.

The Agency agreement which was negotiated with the Government of Rwanda and signed on October 22, 1963, provides for duty-free entry of the PL 480 Title II food and other supplies.

The payment of inland transport, handling and warehousing of the PL 480 Title II foodstuffs, once they are delivered in Kigali, the capital city, is borne by each recipient center.

Catholic Relief Services enjoys complete freedom of action to carry out the supervisory responsibilities of the Title II program.

Neither the host government, nor the recipient centers, reduce their own expenditures for food for persons they serve as a result of receipts of Title II food commodities.

As authorized by the Federal Register, Volume 33, Number 30, part 211.5(1), dated February 13, 1968, charges are made in pre-school centers. Payments made by the parents of the recipients are used for the payment of inland transport, personnel, handling, rebagging of damaged or infested commodities and supervision. In addition to these expenditures, a small part of the contributions collected are used to buy cooking utensils, office equipment and supplies, agricultural tools, seeds and medicines, all of which are intended to improve the organization of the work performed at the clinics and, thus, the services rendered to the people.

The host government and recipient centers permit inspections of food in storage, examination of records relating to PL 480 Title II food, audits and end-use checks by U.S. Government officials and Catholic Relief Services personnel concerned.

The Agency agreement does provide that the Government of Rwanda will make it known that Title II commodities are a "gift from the people of the United States of America to the people of Rwanda".

The Annual Public Summary of Activities of Catholic Relief Services - USCC, in which the source of the foodstuffs is indicated, is regularly circulated among high government officials (cabinet ministers, prefets and others), and other interested parties.

During the month of November 1969, the Intra-Country Manual, in which information about the origin of Title II food aid programs, source of the commodities, financing of the ocean freight and inland transport, was prepared and distributed to each recipient center. It was updated during the calendar year 1975. A summary of the same information was published in the official publication of the Government of Rwanda, Rwanda Carrefour d'Afrique, in its March/April 1970 issue. CRS periodically publishes and distributes to all persons responsible for distribution of PL 480 food,information concerning the source of the commodities, financing of the ocean freight and inland transport, guidelines for the proper use and storage of the commodities, and other pertinent information necessary for the proper use and control of commodities.

AREA-SCOPE-CONDITIONS OF OPERATIONS:

The program of Catholic Relief Services is country-wide, including all 10 prefectures.

Distribution of Title II PL 480 commodities is made from a central warehousing facility located in Kigali. A small fleet of 3 large trucks, each of different tonnage, is leased from a local transporter who provides the transportation at a lower-than-going-market price. Other trucks can be rented on short notice as they are needed. The normal distribution to all recipient categories, including pre-school centers, boarding schools, vocational centers, and the various other child feeding programs, is made in three-month allotments. In areas made inaccessible due to annual rains, it often becomes necessary to provide six months' worth of commodities at one time. Distribution is made on the basis of the monthly status reports submitted by the centers, referencing, among other things, the number of beneficiaries and the stocks on hand of each commodity.

Those centers receiving only small amounts of PL 480 food often send their own trucks to the warehouse to effect transport themselves. In this manner the centers are able to save the 1.5 RwF transport charge, (for the nutritional centers), or the 2 RwF charge (for the schools and vocational centers), per kilo, that are charged to each recipient center.

Under the terms of the agreement which was signed on October 22, 1963 between the Government of Rwanda and Catholic Relief Services, the Government of Rwanda agrees to admit free of all duties and taxes, all the relief supplies imported by Catholic Relief Services - USCC. Thus far, this agreement has been observed.

CRS personnel have all latitude to control the distribution of PL 480 Title II commodities. The GOR is not able to meet the costs of warehousing, handling and inland transport from Kigali to the different recipient centers. It agrees, however, to pay the 1% Ad Valorem charge that must be paid to the bonded warehouse for each consignment. (This charge was lowered from 2% in early 1978.) The recipient centers have agreed to bear all the expenses involved in the receiving, handling, warehousing and transportation of the supplies intended for them, once they are delivered at Kigali.

At the present time, there is only one other American Voluntary Agency, SAWS, working with a PL 480 Title II food distribution program in Rwanda.

The World Food Programme, during the fiscal year 1980, distributed 128,000 dollars worth of PL 480 Title II food commodities in their "Food for Work" projects and aid to the hospitals and dispensaries in Rwanda. They also received food donations from other countries which also were provided to the hospitals.

CONTROL AND RECEIPTING-RECORDS PROCEDURES AND AUDITS:

Upon receipt of the Bills of Lading, the CRS representative endorses them and forwards them to the appropriate Shipping Line Agent in Kigali.

An independent survey report is then conducted at the port of Mombasa, Kenya, for every shipment of PL 480 Title II commodities. This survey is then forwarded to the CRS headquarters in New York City. It shows the actual quantity of commodities received and shortlanded, as well as losses and method of disposal of any food found unfit for human consumption.

From Mombasa, the commodities are sent via closed trucks through Uganda to the customs offices outside the city of Kigali. After customs formalities are completed, the trucks are offloaded at the warehouse where a receiving report is completed, noting any differences between actual receipt and the waybill listed amounts. This report later serves as the basis for an inland claim preparation. The report is signed and witnessed by:

- one representative from Catholic Relief Services;
- one representative from the Shipping Agent, (TRANSINTRA);
- the driver of the truck; and
- the warehouse foreman.

The distribution of the commodities to the recipient centers is made according to a distribution list established by CRS/Rwanda.

A waybill (bordereau de transport), is prepared in four copies for each distribution. The original and two copies are sent with the commodities to the recipient centers where each is signed for receipt. The original copy is filed at the warehouse and the third stays at the recipient center. The fourth copy remains in the CRS office. Each waybill is numbered sequentially.

The warehouse maintains, under the supervision of CRS/Rwanda, a daily inventory of the commodities. This inventory is sent to the CRS office at the end of each month.

Following audits of the CRS Title II food program in Rwanda by CRS/NY and AID, CRS/Rwanda has initiated several new procedures for the control and receipting of the Title II food:

Stock control cards are now kept by individual shipment. These cards provide a record by stack in the warehouse of the quantity, date and shipment of each commodity received. They also provide a record of the actual distribution by date, waybill, quantity and shipment. The sum of the totals on all the current stock control cards always provides the actual stock on hand and assists in

following the first-in-first-out inventory rotation system.

A new and more complete warehouse stock register has been put into use. This register identifies the shipments received, by ship's name, packing list number, and CDA (inland bill of lading) number. In addition, the warehouse stock register shows the daily distribution, by commodity, to recipients. Therefore, by using the warehouse stock register in conjunction with the stock control cards, it is now possible to trace the receipt of all commodities, by shipment, from Mombasa to recipient centers in Rwanda.

In addition, a new system has been established to reconcile the warehouse balances with the CRS office commodity book balances. A new "Physical Inventory and Reconciliation Form" has been initiated which is completed separately by both the warehouse and the office. Any differences between the warehouse and office reports are reconciled, as in a bank checking account, by subtracting any distribution authorized by the office but not yet made by the warehouse and adding any receipt by the warehouse but not yet included by the office.

At the end of each month, each recipient center is required to provide CRS/Rwanda with an inventory report. In this manner the movement of the food commodities is charted from the warehouse and arrival to the recipient center and destination.

The reviewing of the program at each level of operation, inspection of food commodities and storage, end-use audits, examination and control of records present no problem.

All these records are available in Rwanda for examination or audit.

Losses involving PL 480 Title II food commodities while en route to Mombasa, Kenya, and during the unloading of the ships, are covered by the survey reports and out-turn reports. Settlements of claims, made by the CRS headquarters in New York City, are made on behalf of the Department of Agriculture.

Losses occurring in the transport of commodities from Mombasa to Kigali are processed against the transport firm, while those occurring from Kigali to the recipient centers are instituted against the local carrier.

In addition to the above mentioned records, the following documents are maintained by CRS/Rwanda:

- shipping control ledger;
- shipping files;
- individual record/reconciliation of each shipment;
- running balance ledger;
- claims ledger and related files;
- unfit food file;
- end-use check report file; and
- physical inventory files.

PORT FACILITIES-PRACTICES:

Offloading facilities at Mombasa are adequate to handle foods required under the FY 79 - FY 81 CRS PL 480 Title II programs.

Duty-free entry presents no problem at present.

Cargo surveys are performed at the port of Mombasa in Kenya. A survey is also made by CRS in conjunction with the shipping agent in Kigali.

Port charges are levied at Mombasa port by the East African Railways and Harbours (Kenya authorities).

STORAGE FACILITIES:

Our present warehouse at College St. Andre has a capacity of 600 MT. In addition to this, the College is able to put more storage space at our disposal on a short-term basis when the need arises. This brings the total warehouse capacity to about 800 MT. Given the increases requested for FY 81 and the planned increases for FY 82, this capacity is sufficient assuming distribution continues at its present rapid rate. But there is always a period in each quarter when the rate of arrivals surpasses the rate of distribution and a temporary space problem occurs. Therefore, CRS has requested and received a PL 480 Title II Outreach Grant which will finance construction of an addition to the present warehouse (approximately 600 MT capacity) at College St. Andre. The plans for the warehouse have been reviewed and approved by AID/Rwanda and AID engineers in Nairobi. This new addition should suffice for any foreseeable future tonnage increases and will also allow storage for emergency food if the need should arise. Construction should be complete by the end of FY 1981.*

Storage facilities are technically adequate. The warehouse is of cinder block walls, corrugated asbestos roofing and brick floors.

The Agency retains constant control over the PL 480 Title II food in storage.

INLAND TRANSPORTATION:

When the food commodities are unloaded at the port of Mombasa, they are dispatched to Kigali by trucks. Once in Kigali, they are transported to the different recipient centers again by truck.

PROCESSING-REPROCESSING-REPACKAGING:

Schools bake bread from the flour on their premises. Those which are not able to do so have baking contracts which call for:

- prohibition to pay for the making of the bread with flour;
- 15% more weight in bread than in weight of flour that the baker receives;
- the return of the empty sacks;
- representatives of USAID and CRS may inspect the baker's premises and the condition of the stored flour; and
- both the bakery and the school will maintain records relating to the PL 480 flour for a period of 3 years after the close of the U.S. fiscal year in which food was delivered.

* An illustrative schedule of commodity arrivals and distributions appears at Annex A.

FINANCING:

The cost of the handling, storage and inland transportation of the commodities once they arrive in Kigali, is borne by the recipient centers.

The warehouse (College St. Andre) pays the salaries of the warehouseman and the workers needed for the unloading, loading and general cleanliness of the warehouse, as well as the insurance on the building. These expenses are paid out of the 2 RwF per kilo charge paid by the recipient centers.

The Government of Rwanda is responsible for the payment of the transit fee, payable to the bonded warehouse, which amounts to 1% of the declared value of each CRS consignment of commodities.

Catholic Relief Services - USCC pays for its own administrative expenses, informative materials and its staff.

The recipient centers each pay the salaries of their staff including those personnel responsible for food preparation and serving.

The empty containers of oil are sold by the pre-school centers. 50% of the proceeds from these sales are remitted to the CRS account (government transaction account) maintained at the Banque Commerciale du Rwanda.

ACCEPTABILITY OF AVAILABLE FOODS-COMPUTATION OF FOOD REQUIREMENTS:

The food commodity rates in kilos planned for Rwanda are as follows: per person per month:

CATEGORY	CORNMEAL	MILK	RICE	OIL	BREAD FLOUR
MCH-mother	2	2	-	1	-
MCH-child	2	2	-	1	-
Pre-school child (Kwashi)	2	2	-	1	-
Other child	3	1	1	.5	3.5
School feeding	3	1	2	.5	4.5
FFW	6.6	-	6.6	.5	-
Girls training schools	.5	.5	1	.5	1
Welfare	3.5	-	2	.5	1.5
Other school	1	.75	1.5	.5	1.5

It should be noted on the AER that while there has been an increase in the total recipients from 81,700 in FY 1980 to 92,500 for FY 1981, the total tonnage of food requested has increased only from 5,853 to 5,920.

PRODUCTION DISINCENTIVE:

In August 1978, Rwanda had a population of 4.82 million persons. Current estimates place the growth rate at about 3.8%. Total land area is estimated at 26,000 km^2, of which about 35% is considered arable. Primary (non-exporting) food crops are beans, sorghum, yams, maize and bananas, with the latter

covering 24% of available arable acreage. According to present FAO estimates, the nutritional status of rural Rwandans has declined 16% between 1959 and 1975 - and Rwandans consume only 80-85% of the minimum daily caloric intake necessary for maintenance of nutritional health. 60.5% of nutritional deaths in the country occur in the 0 to 4 age group; 85% of deaths occuring in the 0 to 15 age group are directly attributable to malnutrition. Of the AID-approved Food for Peace recipients for FY 80, 52% are concentrated in the sector of Maternal Child Health, recognized as the highest priority in the nutrition sector by both the GOR and AID. 40% of the approved recipients are students in secondary (boarding) schools and institutions engaged in vocational pursuits, including teaching improved agricultural methods. Proposed levels for FY 82 will again emphasize MCH (51%), and secondary/vocational education (35%). These recipient groups do not participate in the market economy. Additionally, when considered in light of Rwanda's currently estimated population of more than 5 million, the FY 81 and FY 82 (proposed) recipient levels amount to less than 1.7% and 1.9% of the population respectively.

The proposed FY 1982 Title II commodities, consisting of soy-fortified cornmeal, non fat dry milk, rice, edible oil, and bread flour, are not produced or processed in Rwanda (except rice on an experimental basis). This provision of blended-fortified foods, in the MCH context, is meant only to nutritionally supplement the diet being provided by participating mothers.

In view of the evidence above, which indicates wide discrepancy between food needs and food availability in Rwanda, and in view of the fact that CRS serves a portion of the population which lives at a subsistence level, but which is, nevertheless, according to nutrition bureau statistics, unable to produce enough food to maintain adequate nutritional levels, CRS believes that Title II imports represent no disincentive for food production in Rwanda.

ESTIMATION OF PROGRAM DURATION:

Rwanda is listed by the United Nations as being among the six least developed countries of the world, with a per capita income of about $75.

Malnutrition was recognized as the first health problem of the country in the first Five-year Plan. The Second and Third Plans aim at "improving the feeding of the population". Certain steps have been taken to combat malnutrition but the problem of increasing food production and improving its availability to the poorer segments of the population, the vast majority, is so great that it will take time to overcome.

The steadily increasing population, coupled with a limited overall area, has resulted in the present use of all agriculturally productive land. Faced with this dilemma, the practice of "intensive farming" is being introduced to the rural population in an effort to make what little land each farmer has, more viable and productive. Although substantial attempts are being made toward this "outreach", results have been slow in coming.

The relatively unstable weather conditions, which vary from hillside to hillside, often cause either too much rain to fall or too little. If this should occur, or if the rains come at the wrong time during the planting cycle, entire harvests may be lost resulting in regional food shortages and famines. This has occurred several times in recent years, notably during the first two months of 1980, and has necessitated additional food being brought into the country as emergency aid.

Considering the overall situation in Rwanda, it does not seem realistic to forecast a phasing-out of the PL 480 Title II food program in the near future. It is felt by CRS/Rwanda that because of the above, Rwanda deserves special consideration in the granting of food aid.

PLANS OF OPERATIONS FOR SPECIFIC TYPES OF PROJECTS:

CRS' PL 480 Title II food program for FY 1981 and 1982 is made up of 8 different recipient categories.

Maternal/Child Health - Child: This program is aimed at children between the ages of 6 months and 5 years, defined as the most nutritionally vulnerable group. A supplement of PL 480 foods, or its local equivalent, is designed to provide at least 1/3 of the child's daily requirement for normal growth (to be given along with the regular diets) is provided to the mothers of these children. The distribution of the food supplement is accompanied by a monthly health/nutrition class, as well as the weighing of the child and recording of the weight on a growth chart. The group chart is used as an educational aid to show mothers the effects of good health and feeding practices. The program is carried out through 83 Nutrition Centers throughout the country which are operated with a mixture of private (mostly missions) and public support. Mothers contribute 40 RwF (about $.44) per month to help defray the cost of food storage and transport, and supervision of the centers. All centers are staffed by government-trained nutrition teachers. The proper monitoring and control of the program is assured by two CRS supervisors who travel to centers regularly and frequently to ensure a constant contact with the center personnel. For FY 1981, the recipient level will be 45,000 children, and for FY 1982, 50,000.

Maternal/Child Health - Mother: This is a relatively new program designed to provide pregnant and lactating women with the same ration as the MCH-child in order to ensure sufficient nutritional intake for the unborn child and for the breastfeeding mother. The recipient level for FY 81 will be 10,000 and for FY 82, 12,000.

Pre-school Child Feeding - Severely Malnourished: A review of the CRS/Rwanda Title II food program conducted by the Assistant Regional Food for Peace Officer, members of the AID/Rwanda office, and CRS/Rwanda, in January 1980, recommended that CRS initiate a pilot project for the severely malnourished in FY 1981. In response to the review recommendation, CRS is beginning the program in FY 1981 with 2,000 recipients. If successful, the recipient levels will be doubled in FY 1982.

Nutrition levels in Rwanda are inadequate and declining. The population receives an estimated 80-85% of the minimum daily requirement of calories and 90-95% of that of protein. The most recent IBRD Agriculture Sector Review, using 1973-75 figures, estimated adult nutritional requirements at 75% of the required level. High among the major causes of infant mortality in Rwanda are protein and caloric deficiency. The average Rwandan family gives birth to 4.1 children; of those an average of 3.1 survive. This means that 72% survive the first four years of life and 28% do not.

Our target group for this project is the severely malnourished children, particularly those suffering from kwashiorkor and marasmus, who attend CRS Nutrition Centers. Often mothers first come to the centers because their children are malnourished. In addition, the centers encourage any mothers with malnourished children to attend the centers. It is these children whom we intend to give a double ration until they have reached a more acceptable state of nutrition. Their progress can be followed through the Growth Surveillance System and when they have reached an acceptable standard, they will revert back to the normal program and ration of food.

THE SCHOOL FEEDING PROJECT:

In Rwanda, all secondary schools were founded, before independence in 1962, by private entities, mainly the Protestant and Catholic missions. Although a law was enacted in 1966, by which the government made known its intention of taking over all the secondary schools of the country, this was not the case, due in most part to the fact that the government was unable to provide an adequate budget to fully support them, even though education represented by far the largest expenditures of the GOR.

The percentage of the costs of each student that is financed by the GOR amounts to approximately 30% each year. The remaining cost of 70% must be met by the student, the school and outside agencies. In past years, the student has provided approximately 10% while CRS, through its food aid program has provided 20%.

The measures already adopted and/or being contemplated by the GOR indicate that it is conscientious in the effort to support education in the country and that it strives to progressively realize high goals. This is why CRS feels that, considering the food context of Rwanda, the continuation of food aid to this category is justified. In FY 1981 this program has been reduced from 14,500 to 10,000 as a result of new policies instituted under the GOR Scholastic Reform. A seventh and eighth year are being added to the present six years of primary school. Therefore, the students that normally would have entered secondary schools in 1980 have instead gone into the seventh year of primary school. For FY 1982 we anticipate a very modest increase to 10,350 recipients.

OTHER SCHOOL FEEDING AND GIRLS' TRAINING SCHOOLS:

Other School Feeding (Boys' Training Schools or CERAR's) and the Girls' Training Schools (Sections Familiales) are training centers which aim at training the rural youth in trades and improved agricultural methods, as well as domestic science for women. This field activity has been given ever increasing attention by government authorities and private organizations and has been

recognized as a viable alternative educational system. As only about 10% of the primary school graduates can go on to the normal secondary schools, these training centers are seen as a potential solution to the problem of idle youth. The Sections Familiales use the food to teach cooking and nutrition once a week and do not provide daily meals at the schools. The CERAR's and training schools use the Title II food to provide a daily noon meal. Therefore, different rations of food have been programmed to reflect these different requirements. These programs will experience a 25% growth from 18,000 recipients for FY 1981 to 22,500 for FY 1982.

"OTHER CHILD" FEEDING:

The category "other child" includes orphanages and homes for handicapped children.

Orphanages are run by Protestant and Catholic missions. The orphans are kept in the orphanages until they are three years old. The lack of space and financial support compels the missions to reject the children after they reach that age.

The homes for handicapped children treat children who have been hit by polio, other disabling diseases, or who are deaf or mute. Besides following treatment, the children are, to the extent possible, trained in handicrafts, joinery, and the making of clothing for young polio victims.

FOOD FOR WORK:

This program is aimed at encouraging small-scale development projects on the commune-level, especially projects involving reforestation and resettlement. No increase is planned in order to avoid any conflict with the successful voluntary labor program of the GOR.

WELFARE:

This special category is not to exceed 5% of total PL 480 recipients. It is intended to enable CRS to demonstrate the compassion of the American people by charitable distributions to the institutionalized halt, lame and hungry. Examples of such institutions are leprosariums and homes for the aged, which also house the abandonned, handicapped and insane.

CONTRIBUTIONS TO THE PROGRAM:

During the calendar year 1979, the GOR, through the Ministry of Social Affairs and Cooperatives, contributed $48,369 to pay the 1% service charge of the bonded warehouse, "MAGERWA". During this same period the recipient centers contributed $328,350 to the PL 480 program to cover the following charges:

- warehousing and handling costs;
- transportation costs from Kigali to recipient centers;
- personnel costs at St. Andre warehouse; and
- personnel and supervision costs relating directly to food at recipient centers.

A Belgian organization "ESNAC", Education Sanitaire Nutritionelle de l'Afrique Centrale, increased its aid to nutrition centers for salaries and operational costs from $16,958 in 1978 to $26,110 in 1979. It is expected that this aid will continue in 1981 and 1982.

Also during 1979 the communes and the GOR continued contributions to the salaries of nutrition teachers. In 1979 the amount was $75,791 as compared to $39,816 in the previous year. This contribution is expected to be even greater in 1980 and 1981.

During 1979 CRS - USCC contributed approximately $71,000 in cash and services in connection with PL 480 Title II program. This contribution consisted of the following:

- pre-school program administration costs;
- administrative support from the CRS country program;
- salary of an end-use checker; and
- a grant to provide subsidized local transport of food commodities to nutrition centers which could not meet these charges.

David F. Piraino
Director, CRS/Rwanda

ANNEX A

Illustrative Projection of Title II Arrivals and Distributions for FY 1981 and 1982

Quarter/FY	Arrivals (MTs)	Distributions (MTs)	Balance (MTs)
4/80 (1)	1,285	853	432
1/81	1,530	1,662	300
2/81	1,662	1,662	300
3/81	1,662	1,662	300
4/81 (1)	932	932	300
1/82	1,945	1,945	300
2/82	1,945	1,945	300
3/82	1,945	1,945	300
4/82 (1)	1,085	1,085	300

(1) Fourth quarter call forwards and distributions are less because schools and MCH centers do not operate for the full three months in the quarter.

MISSION REVIEW

OF THE CATHOLIC RELIEF SERVICES

FY 1982 PL 480 TITLE II FOOD REQUEST

The Program: The CRS nutrition program in Rwanda effectively links food distribution to nutrition education and improved health and ensures maximum development spread effect through three basic rules:

(1) Nutrition centers receive food only if they follow CRS guidelines for demonstration, i.e., they maintain growth charts on each child enrolled in the nutrition center program, thus demonstrating to mothers in a practical way the benefits of improved nutritional practices.

(2) Only one child from any one family may be enrolled in the program. This increases the effect of food distribution and nutrition instruction since instruction in improved methods of local food preparation provided for a single child presumably results in improved diet for the entire family. The nutritional impact of the PL 480 food is, thus, extended to the maximum number of families by the rule to limit per-family enrollments.

(3) In a country in which a very large percentage of deaths which occur in the 0 to 6 age group are nutrition related, CRS concentrates its program on that age group. When a child reaches age 6, he is graduated from the nutrition course. This ensures concentration on a high priority section of the population and also creates a natural turnover in clientele -- thus increasing spread effect.

These practices, which are evident in different ways in other categories of the CRS program, demonstrate the priority which CRS places on effective utilization of food as opposed to simple food distribution. This, in combination with the fact that a number of nutrition-related projects which CRS has undertaken in Rwanda do not involve food donations, serve to bolster CRS' arguments that it uses U.S. Government donated foods as an effective development tool -- and only as necessary. AID/Rwanda accepts and supports these arguments and, therefore, gives high priority to the continuation and expansion of the CRS Title II program.

Management and Administration: A May 1979 audit of the CRS Title II program in Rwanda by the Area Auditor General's Office in Nairobi resulted in a number of recommendations for improvements in the administration of the CRS program. All of those recommendations have now been closed except one, and resulting changes have brought about significant tightening of food accounting procedures and practices. The one recommendation which remains outstanding involves decisions by AID to allow suspension or compromise of a

number of old inland transport claims. The Assistant Regional Food for Peace Officer and REDSO attorneys have now made determinations with regard to those claims which will permit the final recommendation to be closed. This recommendation does not, in any case, reflect upon CRS' ability to carry out its program here.

CRS has strengthened its management staff in Rwanda over the past two years and has arrested the rapid personnel turnover which threatened for a while to undermine a very well-established and effective program. AID/Rwanda has complete confidence in the current CRS management staff and in its handling and programming of Title II foods. We, therefore, support continuation and expansion of the program without reservation.

FY 1982 ANNUAL BUDGET SUBMISSION

TABLE XIII

PL 480 TITLE II

I. Country: Rwanda
Sponsor's Name: Seventh-day Adventist World Service (SAWS)

A. Primary School Feeding — Total Recipients: 15,000

No.of Recipients by Commodity	Name of Commodity	(thousands) Kgs	Dollars
15.0	Wheat boy blend	300	116.1
15.0	NFD milk	135	56.6
15.0	SF bulgar	135	39.4
15.0	Veg.oil	30	30.0
15.0	Rice	135	50.8
Total Primary School Feeding			292.9

B. Food for Work — Total Recipients: 10,000

No.of Recipients by Commodity	Name of Commodity	(thousands) Kgs	Dollars
10.0	Wheat soy blend	60	23.2
10.0	SF bulgar	190	55.5
10.0	Veg.oil	14	13.9
10.0	Rice	132	49.6
Total Food for Work			142.2

C. General Relief — Total Recipients: 850

No.of Recipients by Commodity	Name of Commodity	(thousands) Kgs	Dollars
.9	Wheat soy blend	25	9.7
.9	NFD milk	9	3.8
.9	SF bulgar	19	5.5
.9	Veg.oil	2	2.0
.9	Rice	9	3.4
Total General Relief			24.4

II. Sponsor's Name: Seventh-day Adventist World Service (SAWS)

EAST COAST DEPOT:
59-16 Broadway
Woodside, New York 11377
WEST COAST DEPOT:
Box 191
Watsonville, California 95076

SEVENTH-DAY ADVENTIST WORLD SERVICE INC.

WORLD HEADQUARTERS: 6840 EASTERN AVENUE, NW, WASHINGTON, D.C. 20012
TELEPHONE: (202) 723-0800 CABLE: ADVENTIST, WASHINGTON TELEX: 89-580

April 25, 1980

PL 480 Title II Food for Peace

Operational Plan for SAWS-Rwanda

FY 1981-1982

I. ELEMENTS OF OPERATIONS

A. Identification

Seventh-day Adventist World Service (SAWS) is the philanthropical arm of the Seventh-day Adventist Church. It is now operating in more than fifty-five countries, bringing relief to hundreds of thousands of the world's oppressed in the form of food, clothing and medical assistance.

The Seventh-day Adventist World Service (SAWS) and the Government of Rwanda entered into an agreement, signed by the Minister of Plan and the SAWS representative in Rwanda, on January 23, 1979. The agreement, which is renewable after five years, extends duty free entry of all goods of SAWS overseas personnel and all items such as PL 480 foods, medicine, hospital supplies, etc., which are pertinent to the operation of SAWS' humanitarian program. It is under this agreement that SAWS will initiate a PL 480 Title II program beginning in CY 1980.

The operating board of SAWS Rwanda consists of the following persons:

President	Dr. Dewitt Williams (U.S. citizen)
Treasurer	Hans Salzmann
Secretary	Wallace Amundson, SAWS Director (U.S. citizen devoting full-time to SAWS activities)
Medical Advisor	Dr. Gunter Klemenz
Others	T. Rwamiheto
	Z. Rutwa
	E. Ntakirutimana

B. Area - Scope - Conditions of Operations

1. School feeding
2. Food for work
3. General Relief

1. School Feeding

a) Background and justification. Most recent figures available from the

Ministry of Plan (August 1978 census) gave Rwanda the questionable honor of being, with 192 inhabitants per square kilometer, the most densely populated country on the African continent. Based on arable land available, this figure jumps to 385 inhabitants per square kilometer, and at an estimated growth rate of 3.8%, the figure will have reached 467 inhabitants per square kilometer of arable land by August 1980.

Because of the high population growth rate and the limited amounts of arable land available for farming, Rwanda falls short of its estimated food needs in energy and protein. Although energy needs are estimated to be around 2.1 K calories per inhabitant per day, the FAO and the Ministry of Plan have completed surveys showing that only about 1.8 K calories per day are actually available to the population.

SAWS believes that a nutritional impact can be realized by helping to address the food needs of the primary school children in Rwanda. In addition to improving nutritional levels, SAWS anticipates other benefits accruing from a Title II primary school feeding program. These include, among other things, increased and more regular class attendance, improved academic performance by students, and increased opportunity for authorities to disseminate nutritional information by example and by instruction.

SAWS has chosen to begin its primary school feeding program in Gikongoro prefecture, an area of extreme poverty and low food production. The area is below the national average per capita annual income of $64 and, because of poor road conditions, rural services are very poor. Children in the prefecture are not presently receiving their estimated food needs, and delayed tissue maturation is noticeable.

b) Operating Procedures and Description of Program. Rural children generally walk long distances to school, and few have the benefit of an adequate breakfast. To give the children a physical and mental "lift" before classes begin, SAWS will provide a nutritious beverage drink consisting of Title II wheat soy blend and powdered milk. SAWS has achieved successful implementation of this pre-class feeding in both Haiti and Peru, and positive comments by teachers as to improved classroom performance and increased activity on the playground have indicated early recognition by local people of the children's improved health and well-being. This drink has also been used successfully by Catholic Relief Services in its Other School feeding program in Rwanda.

After the pre-class servings, cooks will begin preparation of the midday lunch. The midday lunch will consist of either bulgar or rice fortified with W.S.B., non fat dried milk, and foods, such as potatoes, onions, cabbage or other vegetables or legumes, which the participating children will be encouraged to bring from home gardens.

Food preparation facilities will be provided by SAWS for each project school. To ensure proper preparation and to teach a balanced, effective use of locally available foods, three food utilization instructors will be trained in PL 480 food preparation and in the planting and care of school and home gardens. At regular intervals, mothers of school children will be asked to come to schools to receive instructions in home health, disease prevention and child care. Those preparing food are to be programmed under Food for Work.

A local governing committee comprised of a school director, teachers and parents will be formed at each center. This five person committee will be organized to include president, treasurer, secretary and two members. The committee will be responsible to the SAWS end-use checker for all documentation of food, including commodity inventories and recipient status reports. All food containers will be charged to projects and sold at project level or returned to the central office to be sold. Proceeds will be used to improve conditions of food preparation and service. The committee treasurer will furnish reports of proceeds from all container sales.

The initial phase of SAWS Rwanda school lunch project will include the feeding of 6,000 primary school children in two communes, 5 days per week, 10 months per year. School lunch foods will include PL 480 Title II W.S.B., non fat dried milk, soy fortified bulgar, soy bean oil and rice. There will be no opportunity of duplication with other food programs since SAWS will be operating in an area in which this age group is not being served by other voluntary, government or private agencies or organizations. SAWS has followed the PL 480 Commodity Reference Guide in the choice of commodities for the school feeding program, but has made a minor adjustment in bulgar and rice portions because SAWS believes that bulgar has a greater nutritional value for Rwandan children than rice. In order to introduce bulgar into the diet, SAWS will alternate the feeding of bulgar and rice until a time when a full bulgar ration will be accepted.

Primary School Ration:	Kilogram/child/month:
Wheat soy blend	2.0
Non fat dry milk	0.9
Soy fortified bulgar	0.9
Soy bean oil	0.2
Rice	0.9
Total ration	4.9

Insect and rodent-free storage facilities to be provided under an Outreach Grant will be maintained at all times under close supervision of SAWS personnel.

c) Evaluation. Appropriate evaluation procedures will be built into the program through the use of charts which will establish the nutritional status of children by age and weight. A Control Group will be established with schools not included in the program and children in this group will be weighed and tested along with children from project schools. Data from these tests should indicate, within a reasonably short time whether the SAWS program is having a desired impact.

d) End-use Checking. SAWS will engage a full-time end-use checker, initially with Title II Outreach funds, whose duties will be to ensure that U.S. Government guidelines are adhered to, and that any misuses of PL 480 Title II foods is held to a minimum. He/she will take inventories at every visit, and will make full reports on storage conditions and quality of food preparation. This report will be signed by the person responsible at project level and the end-use inspector. Every precaution has been taken to ensure that PL 480 foods will reach their ultimate goal at project level.

SAWS is confident of its proposed primary school feeding program in Rwanda and it is, therefore, planning for success. The program will be expanded from 6,000 to 15,000 primary school recipients during FY 1982.

2. Food for Work (FFW)

a) Because of the extremely low average income in the area in which the school lunch program will be implemented, about 150 cooks will be engaged with FFW contracts (see FFW ration below) to prepare school lunch food for 6,000 primary school children. In addition, guards will be employed to assure the security of commodities. The five person school committee will be responsible for implementation of these FFW distributions.

b) In the Commune of Rusumo, SAWS will utilize Title II food for work to help implement a resettlement program involving 1,000 families. This project will include land clearing and planting of home gardens and subsistance crops. Construction of homes, latrines and various other projects will be carried out in exchange for PL 480 food rations. The ration levels to be used are in accordance with PL 480 Commodity Reference Guide, and are comparable to ration levels being used by other voluntary agencies in Rwanda.

Food for Work Ration:	Kilograms/family/month:
Wheat soy blend	2.5
Soy fortified bulgar	7.9
Soy bean oil	0.6
Rice	5.9
Total ration	16.9

Operations and control. Supervision and control of this project will be the responsibility of the Rusumo Catholic Mission, which will execute its responsibilities through a five person committee directly responsible to an end-use checker. All recipients will be required to sign for food received at each distribution. These signatures and inventory records will be maintained at the SAWS Central Office.

Food utilization personnel will also visit this program to counsel recipients on food preparation and use, and to lecture on planting of crops of a balanced variety to ensure best nutrition values. Storage facilities will be provided by the Rusumo Catholic Mission which maintains several stockrooms having an estimated total storage capacity of 15-20 MTs.

3. General Relief

This category, which will be fixed at 5% of the total food program, is to allow a margin of food for charitable activities involving the poor, handicapped and aged, and for cases of emergency.

General Relief Ration:	Kilograms/person/month:
Wheat soy blend	2.5
Non fat dry milk	0.9
Soy fortified bulgar	1.9
Soy bean oil	0.2
Rice	0.9
Total ration	6.4

A. A projected schedule of implementation for the SAWS program described in this document is attached at Annex A.

B. Storage, Inventories and Logistics

SAWS will maintain storage facilities at three different levels and locations: Central warehouse, Kigali -- Commune warehouses -- and Project-level warehouses.

A suitable central storage facility has been rented on a two-year lease with option to renew. The lease contains clauses permitting SAWS to break the lease with three months' notice anytime after the first year. Lease payments for the first year will be covered by a Title II Outreach grant. SAWS expects to have completed construction of an Outreach grant-funded 500 MT warehouse by the beginning of the second year of operation. The currently leased facility is new construction with excellent security. It is well ventilated and conducive to rodent and insect control measures. It will accomodate 300 MT with ample space for food rotation and isles to permit easy in and out loading and unloading. It satisfies Bellmon Amendment requirements for levels of food imports planned during the first two years of the SAWS program. Insect sprays of fogging type, and rodent control and fumigation materials, will be available to ensure proper care of stored foods.

A warehouseman, under direct supervision of a food control officer, will be responsible for regulating and documenting commodity movements. The warehouseman will also be responsible for cleanliness of the warehouse and rotation of foods. The Outreach grant proposal being submitted by SAWS in FY 1980 provides for construction of a 500 MT warehouse to be completed by October 1981. The plans for this warehouse have been approved by AID engineers.

Commune level warehouses are essential to the school feeding program, as schools are located in isolated areas where large delivery vehicles cannot go. For this reason, a commune level warehouse must be established and a four-wheel drive vehicle made available for transport of commodities to each school.

Current storage capacity at each level is as follows:

(1) The Central warehouse in Kigali has a 300 MT capacity with a projected continuous inventory of 150-200 tons. Since food deliveries to Rwanda are made irregular by long and difficult supply lines, warehousing problems are predictable. SAWS facilities, however, can provide storage even under the most difficult conditions we can foresee.

(2) Commune level warehouses will accomodate approximately 40 tons each. Food will be delivered to these facilities by 10-ton truck.

(3) School storage facilities will be small, with a capacity of approximately 2 tons each, which will necessitate monthly deliveries.

Trucks and pickups necessary for transport of commodities between central, commune and project-level warehouses will be leased by SAWS, as necessary, until vehicles are purchased under the U.S. Government-financed Outreach grant. The purchased vehicles are expected to be available by late in calendar year 1980.

C. Bellmon Amendment/Storage Capacity

The storage and distribution system described above meets requirements of the Bellmon Amendment. These facilities will prove adequate to store and protect PL 480 Title II foods in the amounts planned for import and distribution by SAWS through FY 1982. A projected import and distribution schedule, attached at Annex B, provides further detail concerning this aspect of the SAWS program.

D. Control and Receipting - Records, Procedures and Audits

Receipt. Upon receipt of original shipping invoices, the SAWS' Director will sign and forward them to the shipping agent for processing. A copy will also be forwarded to an independent surveyor in Mombasa. Survey reports will be forwarded to SAWS headquarters in Washington, D.C. for adjustments of claims or losses. Inland loss reports, or reports of damage due to infestations, will be filed by the SAWS Central office in Rwanda. Any foods damaged in transport or through infestation will be reported to the AID office in Kigali, and will be disposed of according to that office's instructions. All commodity records will be kept at the Central office and will be available for inspection and audit at all times.

Worksheets will be utilized to maintain daily inventories. Foodstacks will be marked with placards to indicate arrivals in order that rotation of foods may be made to ensure that oldest foods are used first.

Withdrawal. The food controller will send food withdrawal papers to the warehouse to be signed by receivers and warehouseman. Documents will be prepared, in triplicate, indicating numbers of sacks or cans of foods of each category which have been delived to drivers. These will be signed by the driver upon receipt of food and by responsible persons at project level upon delivery. These records will be delivered to and maintained at the Central office. Project administrators will also maintain and regularly forward recipient status reports to the central office.

Every effort will be made both by word and use of visual material at each project site to inform recipients that PL 480 foods are a gift of the people of the United States.

E. Port Facilities - Practices

Off-loading facilities at Mombasa are adequate to handle foods for FY 80-81 under Title II program.

Port charges are levied at Mombasa port by East African Railway and Harbours (Kenya Government).

No problem exists as to duty or port charges by the host government. Although there is a 1% fee levied on landed values of commodities by a non-governmental agency attached to the Rwanda customs office, this fee is for storage and documentation during liberation. The fee is not a tax.

F. Processing - Reprocessing - Repackaging

SAWS will not enter into a program of processing, reprocessing or repackaging.

G. Financing

All administrative costs will be funded by the Seventh-day Adventist World Service. Normal costs for warehousing, transportation, materials for construction of project-level storage facilities (except those materials to be supplied by communes at project-level and, initially, by an Outreach grant from the U.S. Government) are the direct responsibility of SAWS. Costs of food preparation and service will be borne by Food for Work contracts negotiated with local Rwandans.

H. Acceptability of Available Foods

SAWS will import only those foods which have been used by other voluntary agencies and found acceptable.

I. Bellmon Amendment/Possible Disincentives

Current and proposed SAWS Title II imports are made up of foods which are, with the exception of rice which is grown on an experimental basis, not locally grown in Rwanda. These will be distributed to a portion of the population which lives by subsistence farming, is undernourished, poor and not normally actively engaged in the market economy. Since the food program is designed to provide a supplement to recipients who would not, even in the absence of PL 480 foods, be able, or be inclined, to purchase locally marketed foods, there is little possibility that the Title II foods serve as any disincentive to local production or marketing.

While the average Rwandan receives only about 85% of nutritional requirements, total U.S. Title II imports serve as a food supplement to only 1.5 to 1.8% of Rwanda's more than 5 million people. The disparity between that portion of the population which the 85% figure would indicate is undernourished, and that portion which receives U.S. food assistance, is so great that this relatively small amount of food clearly cannot be a major disincentive factor to Rwanda agricultural production or commercial markets. If there are factors preventing increased production and marketing of agricultural goods in Rwanda, those may be attributable to the cycle of poverty and ignorance which the Title II program is attempting to address.

II. CONTRIBUTIONS TO PROGRAM

A. SAWS. Per Outreach grant requirements, SAWS will provide financial assistance to the program equal to at least 10% of Outreach grant outlays, and will provide continuing support in the following manner:

1. Administrative personnel (Director) $15,000 per year;
2. Travel budget for Director;
3. Medicine and hospital supplies (approximately $75,000);
4. Clothing, shoes and baby foodstuffs (approximately $50,000); and
5. Vehicle and warehouse leases, as necessary, until Outreach grant funds are made available.

SAWS will also import garden seeds which are adaptable to the local environment, and assist in planting and cultivation of vegetables in both the school gardening and resettlement programs. Emphasis will be placed on growing a combination of foods which will assure highest possible nutritional levels.

B. Local Rwandan Contribution. Despite extreme poverty in the area of Gikongoro, where the school feeding program will initially be carried out, the parents of participating children and commune leaders have expressed a willingness to contribute much of their own time and resources. The initial contribution will be labor in the making of bricks for both commune warehouses and storage warehouses at school level. Poles for roofing and stones for foundations will also be furnished by the commune inhabitants. In addition, each child will furnish his own eating utensils and will be required to bring a few sticks of fuel wood each day to be used at each school food preparation center. This contribution will amount to approximately $3,000 per annum for 2communes of 10 schools each. Where conditions permit, children will be asked to bring a potato, onion, carrot or some product from the home garden to supplement PL 480 foods. Value of this contribution is difficult to ascertain but significant worth is certain.

The burgemeister of each commune will provide a parcel of land near each school site where parents of participating school children, and the children themselves, will combine their efforts to produce vegetables for the school feeding program. Excess will be sold to purchase such supplemental foods as salt, sugar, beans, etc., to use in the feeding program.

Wallace Amundson
SAWS Director

ANNEX A

SAWS' PROGRAM IMPLEMENTATION SCHEDULE

FY 80	CY 80	FY 81	CY 81	FY 82	CY 82	FY 83

O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O

- Lease signed on 300 MT central warehouse Kigali
- Operation plan FY 81,82 submitted to AID/Rwanda
- AER FY 81 submitted
- Outreach proposal submitted to AID/Rwanda
- Special AER submitted requesting early start of FFW program
- Special food shipment arrives or is loaned from CRS
- First call forward made for FY 81
- First FY 81 call forward arrives Kigali
- Rusumo FFW program begins
- Outreach grant approved, vehicle waiver included
- Vehicles ordered
- Vehicles arrive Mombasa
- AIDR requested to design commune storage facilities
- AIDR completes design
- Designs submitted to REDSO/Nairobi for approval
- Construction begins on commune level warehouses
- Two commune warehouses complete
- 20 storage facilities at school sites complete
- SLF program begins with 6,000 students
- Purchase of cooking utensils for SLF program
- Selection of FFW workers for SLF program
- RFB for dentral warehouse issued
- Contractor selected/construction begins
- 500 MT central warehouse completed
- Second call forward FY 81
- Second call forward FY 81 arrives
- Third call forward FY 81
- Third call forward arrives
- AER FY 82 submitted
- Fourth call forward FY 81
- Fourth call forward FY 81 arrives
- Construction begins on 30 additional school level storage facilities and 3 commune level storage facilities
- Additional storage facilities complete
- SLF program increases to 15,000

ANNEX B

PROJECTED COMMODITY ARRIVALS & DISTRIBUTIONS: FY 1980-82

May	Call Forwards	Food Arrivals	Distributions	Balance
J				
J		348 MT*	19.8[1]	328.2
A			19.8	308.4
S			19.8	288.6
O FY 81	x		49.2[2]	239.4
N			49.2	190.2
D			49.2	141.6
J	x	177	59.0[3]	259.0
F			59.0	200.
M			59.0	141.
A	x	177	59.0	259.
M			59.0	200.
J			59.0	141.
J	x	177	59.0	259.
A			59.0	200.
S			59.0	141.
O FY 82	x	274	91.3[4]	323.7
N			91.3	232.4
D			91.3	141.1
J	x	274	91.3	323.8
F			91.3	232.5
M			91.3	141.2
A	x	274	91.3	323.9
M			91.3	232.6
J			91.3	141.3
J	x	274	91.3	324.0
A			91.3	232.7
S			91.3	141.4
O FY 83				

	Recipients	
	Increment	Cumulative Total
1. Rusumo FFW program begins	1,200	1,200
2. Increase due to start-up of school lunch feeding	6,000	7,200
3. Increase due to start-up of additional FFW projects	300	7,500
4. Increase due to expansion of school feeding program	9,000	16,500

* Special call forward to provide commodities until February 1981
1,200 FFW-workers x 7 months x 16.9 kgs = 142 MT
6,000 SLF x 7 months x 4.9 kgs = 206 MT
348 MT

MISSION REVIEW

OF THE SEVENTH-DAY WORLD SERVICE (SAWS)

FY 1982 PL 480 TITLE II FOOD REQUEST

Program Direction: The SAWS Title II program is scheduled to begin during the late summer of 1980. The proposed Food for Work component, mostly resettlement, is in keeping with AID priorities for developing currently underutilized land areas in this land-scarce country. The primary school feeding program not only increases the amount of nutritious food available to children in one of the poorest of Rwanda's poor areas but focuses on an age group which is highly susceptible, not only to benefits of improved nutrition, but to the benefits of education received in the context of improved physical health. If, in combination with these basic programs supported by the requested Food for Peace commodities, SAWS, as is suggested, is able to initiate other peripheral activities which encourage improved nutritional practices among Rwanda's rural poor, the SAWS program will provide a very valuable service to AID and to Rwanda.

Management and Administration: The SAWS Title II program has been developed in close collaboration with AID/Rwanda and under the close supervision and guidance of the Regional Food for Peace Office in Nairobi. Although the program is highly dependent upon approval of a Title II Outreach Grant for a strong start, it has been developed in a cautious and careful manner and in such a way as to avoid many problems which might be expected to confront a new project. In view of this, and in view of the support from a very large and long-established local infrastructure upon which SAWS is able to depend, AID/Rwanda believes that the prospects for a successful program are good.

Decision Unit: AID/Rwanda

PL 480 Project Narrative

PROJECT:	Communal Development Fund
APPROPRIATION ACCOUNT:	PL 480 Title II Section 206
FY 81 INPUTS:	750 Metric Tons Food Commodities
FY 82 INPUTS:	2000 Metric Tons Food Commodities
LOP:	Continuing

By reason of a strong rural development policy, a hard working populace, and relatively good soil and rainfall, Rwanda has been able to maintain near food self-sufficiency. This despite the fact that it is a small, crowded country with high population growth rate and very little excess cultivable terrain. Agricultural production averages approximately 3.8 million metric tons annually, with a very small percentage (38,000 MT) in cash crops. While food imports are low, minimum nutritional requirements are not met. The average Rwandan receives only about 85% of FAO established nutritional requirements. With a population growth rate now estimated at about 3.8%, Rwanda will have to both increase production and increase food imports if it is to maintain even these levels.

Emergency situations present special problems for this land-locked country. This year, as in 1974, Rwanda expects a serious food production deficit because of late rains. It is not likely that donors will be able to overcome the transport/delivery bottlenecks to respond in time to meet this, or future, emergency needs.

The Government is taking strong steps to increase production and to improve the systems which support the rural economy. They have obtained donor financing of production projects which virtually blanket the country, they are expanding into valley lands with irrigation, grain marketing and transport systems are being reinforced, as is the extension service, and the possibility of establishing a food security stock is being examined. The GOR is also embarking on a multi-year effort to reduce the population growth rate. There is no escaping the fact, however, that increasing food imports will be required, including the distribution of PL 480 Title II foods by U.S. PVO's and through the Section 206 program.

A small Section 206 program for the importation of 250 tons of soy oil was begun in 1980 and will be followed by a slightly larger program in FY 81. The GOR has requested that AID continue the program in FY 81 and beyond, and expand into other commodities which are in short supply in the country. AID/Rwanda has begun to prepare the documentation for a slightly larger program for FY 81 and, based on an evaluation to be conducted of the program, will likely want to increase the program in FY 82.

The GOR has requested that AID approve a program for the importation of 2,000 tons of food in FY 82, with a mix of soy oil, corn and cornflour, wheat and rice. Import and commercialization of these stocks would be handled by OPROVIA, the government marketing agency, which will channel the food to the cooperative and private commercial outlets. This is the agreed practice for the on-going Section 206 program and, to date, appears to be working well.

Proceeds from the sale of PL 480 commodities will be deposited into a separate account and all circumstances surrounding the import and sale will be reported periodically to AID. OPROVIA has shown that it has the capacity to provide us the necessary reports. The proceeds will ultimately be put at the disposition of the Communal Development Fund in the Ministry of Interior.

The use of the proceeds generated from the sale of the imported foods will be determined by the Office of Communal Development in the Ministry of Interior. Specific projects to be financed will be selected from among a range of proposals submitted by the commune administrative head, the burgomaster, and will be selected by the GOR and approved by AID according to criteria established by the Transfer Agreement. Implementation of the projects will be the responsibility of the burgomaster, who will have regional technical specialists to assist him. The criteria will specify that the funds are to be used for rural development in the priority areas of family health, local crop storage, and food production. A certain amount will be made available to cover operational costs incurred by the commune. The Rwandan system of umuganda (community contribution of labor) will constitute more than adequate popular participation and will help to assure that the projects to be financed are indeed the desires of the local community. The implementation of development by the commune is a GOR policy which is endorsed by AID and is supported in a number of projects which AID is financing with the GOR.

BELLMON AMENDMENT CERTIFICATION

With completion of construction of Outreach Grant-funded 500 MT warehouses in 1980 and 1981, CRS and SAWS will have storage facilities in excess of currently projected needs for those programs. The transport and distribution systems provided by those organizations are adequate and easily augmented. Arguments presented in the FY 1982 CRS and SAWS Operational Plans and in the PL 480 Title II Narrative which appears earlier in this section of the AID/Rwanda FY 1982 Annual Budget Submission indicate the magnitude of the food deficit and the comparatively limited size and nature of the PL 480 import program in Rwanda.

Based upon these facts and all related information currently available to me, I certify that storage facilities are adequate to handle the foods which are being requested for the Title II program in Rwanda, and that the Title II program, including components proposed by CRS, SAWS and the AID office through its Section 206 proposal, will not result in a substantial disincentive to production in Rwanda.

Eugene R. Chiavaroli
AID Affairs Officer/Rwanda

Addendum to FY 1982 Rwanda ABS

Ref: State 120186
Subject: FY 1982 ABS Guidance Operating Expenses
(Justification for FY 1981 Levels)

A. The restriction on OE levels during FY 1980 has had a definite effect on AID/Rwanda's requirements for FY 81. Most importantly, we have deferred obligating costs for Post Assignment for a new Agricultural Officer and the replacement Program Officer until FY 81. We have estimated the cost of travel and freight for both families to be $44,900.

In housing we have deferred the purchase of two sets of furniture and appliances, at a total estimated cost of $38,000 for items and freight, until 1981. Water storage units costing $4,000 required for two residences have also been deferred. Under office operations, we are deferring the purchase of two typewriters and office furniture totalling approximately $4,000, plus a water storage unit for the office and painting the office interior at a cost of approximately $3,000.

B. Items not foreseen as FY 81 requirements are post assignment for two USDH employees, originally expected to be FY 80 expenditures.

C. An inflation factor of 10% was built into FNDH salaries (in addition to one new hire) because the Government of Rwanda has indicated that there will be such an increase in 1981. This increase will not be repeated in 1982.

D. The inflation rate for housing is much less since no leases will be coming up for renewal in FY 81. Only utilities will be affected by a possible 10% increase in this section. For office operations we have built in a 10% increase for inflation for services, local purchases, and international travel.

In response to paragraph 4 of State 120186 we have worked out operating budget cuts of 5, 10 and 20%. In planning the 5% cut we have eliminated $10,000 out of the total requested for U.S. Personal Service Contracts. We have also deleted one set of furniture and freight under housing,and under office operations have deleted one trip to the U.S. and reduced supplies and maintenance.

At the 10% reduction level, under USDH expenses, we have postponed one Home Leave until FY 1982; under FNDH, we have cut funds for overtime pay. In the housing category we have cut back on renovation and maintenance, and under office operations have further reduced expenditures for office furniture and equipment, other equipment and freight. In this section we have cut back another trip for international operations travel and cut back substantially for supplies and materials, and vehicle maintenance and secretarial services. PSC costs were reduced to $10,000.

The 20% cut has been achieved by postponing the arrival of the Agricultural Officer from FY 81 to FY 82. The spin-off savings from this action on other line items, in addition to salary, differential pay, COLA and retirement, includes a big savings in post assignment travel and freight, one house lease and reduced utility costs. Overtime pay for FNDH's was eliminated altogether. However, because so many cuts are locked into the elimination of one employee we were able to reinstate some office operations costs, and brought supplies and materials estimates up to $13,500, and vehicle maintenance, temporary secretarial and clerical help, up to $18,000. PSC costs were further reduced to $5,000.

The principal effect of a 20% reduction would be a slowdown in implementation of the new Area Agricultural Production and Food Storage and Marketing projects. Since the agriculture sector workload would fall to other non-technical personnel, AID/Rwanda would have to rely more heavily upon REDSO for agricultural expertise.

AID/Rwanda has projected cuts based upon current best judgements about operational needs. We reserve the right, however, to review these cuts later when the FY 1981 levels come into focus, possibly in late summer.

REDUCED FY 1981 OPERATING BUDGET OPTIONS

ABS — Ref: State 120186 — FY 1981 + % Cuts

Line Item	Category	Current	-5%	-10%	-20%
01	U.S. direct-hire	342.7	342.7	337.3	281.1
02-110	U.S. direct-hire - 11	189.1	189.1	189.1	161.6
03-112	Part-time temp. (res. hire)	12.7	12.7	12.7	12.7
04-116	Differential Pay - 11	47.3	47.3	47.3	40.4
05-118	COLA	10.7	10.7	10.7	9.0
07-126	Ed allowance	2.5	2.5	2.5	2.5
08-120	Retirement U.S. 12	13.2	13.2	13.2	11.2
09-129	All other code 12 U.S.	-	-	-	-
10-212	Post Assign.travel & per diem	9.1	9.1	9.1	6.4
11-220	Post assign.-freight	37.7	37.7	37.7	22.3
12-212	Home leave-travel	2.6	2.6	-	-
13-220	Home leave-freight	1.1	1.1	-	-
14-215	Ed travel	2.4	2.4	2.4	2.4
15-215	R & R travel	8.5	8.5	8.5	8.5
16-215	All other 215 travel	5.8	5.8	4.1	4.1
17	Foreign natl.DH	35.3	35.0	34.9	34.5
18-114	FSN basic pay - 11	33.2	33.2	33.2	33.2
19-115	Overtime, holiday pay	0.8	0.5	0.4	-
20-119	All other code 11 - FN	1.3	1.3	1.3	1.3
23	U.S.contract PER's	30.5	20.5	10.0	5.0
24	PASA technicians				
25-173	U.S. PSC - sal.&bar.	30.5	20.5	10.0	5.0
26	All other USPSC costs				
30	Housing	127.0	113.0	111.0	99.0
31-235	Leases/rent	60.4	60.4	60.4	48.1
32-235	Utilities	8.3	8.3	8.3	6.6
33-259	Renovation/maint.	20.0	20.0	18.0	20.0
35-311	Res.furnt.& equip.	12.5	7.0	7.0	7.0
36-220	Transp.freight-code 311	25.5	17.0	17.0	17.0
41-252	PEPR allowance	0.3	0.3	0.3	0.3

81

Line Item	Category	FY 1981 + % Cuts Current	-5%	-10%	-20%
42	Office operations	99.8	93.8	80.0	92.2
43-234	Rent	22.0	22.0	22.0	22.0
44-234	Utilities	0.7	0.7	0.7	0.7
45-259	Bldg.maint/renovation	3.1	3.1	3.1	3.1
46-310	Office furnt & equip	4.0	3.0	2.0	3.5
47-319	Other equipment	2.8	1.8	1.0	1.0
48-22	Transp/freight & equip	5.0	4.4	4.1	4.5
49-230	Comm. tel	2.2	2.2	2.2	2.2
50-259	NPSC's Sec.guard	3.3	3.3	3.3	2.1
51-24	Printing	0.2	0.2	0.2	0.2
52-210	Int OPS - travel	19.0	16.3	12.9	19.0
53-210	Domestic OPS travel	2.5	2.5	2.5	2.5
55-312	Vehicles	-	-	-	-
57-260	Supplies & materials	15.0	14.3	10.0	13.5
59-259	Temp.sec/clerk & veh. maint.	20.0	20.0	16.0	18.0
60	Total Oper budget	635.2	605.0	573.2	511.8
61	Object Class - 11	249.1	249.1	249.1	214.7
62	Object Class - 12	13.2	13.2	13.2	11.2
65	Net Allotment require.	373.0	342.7	310.9	285.9
71-320	636(c) other require.	200.0	200.0	-	-

81/82