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June 30, 1984

Mr. Julio Sloshtower  
Deputy Director  
U.S. Agency for International Development  
US/AID Mission to Jamaica  
2 Oxford Road  
Kingston 5, Jamaica

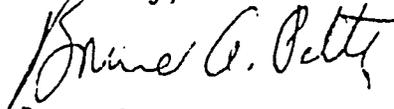
Attention: Mr. Cyril Buchanan, Project Director

Re: Agricultural Planning Project  
Contract No. LAC-D061-C-00-1003-00  
ALNA No. 201

Dear Mr. Sloshtower:

I am enclosing the final report of Dr. Malcolm H. MacDonald, Policy Analysis Consultant. Please let me know if you have questions or require further information.

Sincerely,



Bruce A. Petty  
Executive Vice President

Enclosures (3)

TO: Bruce A. Petty  
Executive Vice President

May 15, 1984

FROM: Dr. Malcolm H. MacDonald  
Policy Analysis Consultant

SUBJ: ALNA 201/Jamaica Agricultural Planning - Final Report

## INTRODUCTION

This report covers my assignment as Policy Analysis Consultant in A. L. Nellum and Associates' US/AID-funded Agricultural Planning Project from May 16, 1983, to May 15, 1984, with the Ministry of Agriculture in Kingston, Jamaica.

The first part of the report narrates my consultancy assignment as such. The second part of the report examines this consultancy within the overall framework of the Agricultural Planning Project: its objectives; strategy; accomplishments; shortcomings. The third and final section sets the consultancy and project within the realities of Jamaica during its execution, and identifies some of the critical exogenous factors affecting the success or failure of technical assistance projects in developing countries at the present time.

### I. THE CONSULTANCY

The consultancy in policy analysis was initiated near the beginning of the final year of the project, instead of at the outset of the project as had been originally programmed. (See Project Leader's reports for details and reasons.) As of that date, May 1983, the Ministry of Agriculture was assigning a high priority to producing a Five-Year Agricultural Policy and Production Plan by early 1984, in accordance with strong commitments to that effect with US/AID.

Consequently, the Ministry of Agriculture substantially modified the Scope of Work of the Policy Analysis consultant. The new Scope of Work stated that the Policy Analyst was to:

1. Review the Five-Year Plan outline and make suggestions for improvement
2. Provide Technical Assistance ("hands on") in preparing the Five-Year Plan
3. Perform other activities as required by the Ministry Director (Dr. Leroy Taylor) responsible for preparing the Five-Year Plan. (See monthly report annexes, June-July 1983.)

Although the Ministry has had a Planning Division for quite some time, a separate unit was set up to prepare the Five-Year Plan. (The exact reasons for this decision are not known, but its mid-term consequences are considerable.)

A Core Team was organized to prepare the Five-Year Plan. It consisted of Dr. Leroy Taylor, Director; three professionals on loan from the Planning Division; and two consultants, one in Livestock and one in Agricultural Policy Analysis (this writer).

The Core Team organized Work Groups to discuss and prepare drafts of the various sections of the Plan. Each Core Team member was responsible for organizing, advising and working with several Work Groups (an average of about six). Work Groups were organized by commodity or group of commodities; by Policy Issues (e.g. land use); by function (e.g. extension). In all, there were about 40 Work Groups, and some divided into subgroups. Well over 100 of Jamaica's top agricultural sector professionals; from the Ministry of Agriculture, other public sector agencies, and the private sector, participated in these Work Groups.

The Core Team met at least once a week to discuss Plan content and adjustments, and the progress (and problems) of the various Work Groups. These sessions provided the main vehicle for non-the-job training by the consultants (together with direct contact and participation in the Work Groups).

This consultant assisted Work Groups dealing with land use policy, land tenure, small farmers, marketing, credit, production and extension, and research and development. Indirect assistance was provided to other groups through the Core Team mechanism (e.g. farm management for livestock programs).

An Agricultural Policy Committee was established by the Permanent Secretary (when he was absent, Dr. Leroy Taylor served as Chairman of the Committee). All technical divisions of the Ministry were represented on this Committee, as well as the Commodity Boards, Agro-21, and selected private sector persons.

As Work Group draft reports were completed, they were submitted to the Agricultural Policy Committee for study, discussion and modification. Major and controversial draft reports were resubmitted and discussed a second time before preparation of a preliminary final draft.

Throughout this period, the Core Team repeatedly stressed three messages to the Work Groups:

1. A Five-Year Plan is a process. The plan document is important, but only the beginning of the process. Plan implementation is the crucial component.
2. A Five-Year Plan is a useful management tool; its usefulness is proportionate to the use that's made of it.

3. To remain useful a Five-Year plan should be "rolled over" (revised) annually.

These three "principles" appear to have been widely accepted by a wide spectrum of Jamaica's Ag sector technicians. They were frequently cited by Work Group members during the presentations and discussions of their reports.

While it is difficult to document, this consultant is convinced that the broad professional participation involved in the Work Group procedure resulted not only in top technical inputs to the Plan document, but perhaps even more important, it created a feeling among technicians that it was their Plan, and not something useless cooked up by some staff group. I feel that Dr. Taylor is to be congratulated on the participatory procedures he adopted.

The last weekend in January, 1984, a 4-day weekend retreat was held to conduct a final discussion of the preliminary final drafts. During this retreat Core Team, Work Group Leaders, and Ag Policy Committee members participated. Final technical adjustments were agreed upon, and subsequently the Work Groups began preparing their final drafts, including estimated public and private sector costs and inputs, foreign exchange requirements, and export earnings and production estimates.

The process of cross-checking, technical and literary editing and adjustment was completed by May 15 and a final draft (6 copies) of the preliminary Five-Year Plan document was to be delivered on May 16. This will be given a final study and discussion by the remaining members of the Core Team (both consultants have terminated their contract periods) during a retreat in the near future. The resulting document will then be submitted to policy level of Government of Jamaica for final decisions. It has been agreed with AID that the definitive Five-Year Agricultural Policy and Production Plan will be published by September, 1984.

Summing up this section:

1. The technical draft of the Plan document was within a week of completion by the end of this consultant's contract. Thus in a quantitative sense, 95+ % of the Scope of Work was fulfilled.
2. The document, consisting of some 1,000+ pages and another 1,000+ pages of annexes, contains some excellent technical inputs, was participatively prepared, and if serious efforts are made to implement it, should count on wide understanding and support among Jamaican Ag sector technicians.
3. Like any Five-Year Plan document, it undoubtedly has some weak areas and/or errors, particularly in the budgeting and foreign exchange estimates. These can and should be

identified and corrected by adopting an annual "rollover" procedure (drop the year just ended, make adjustments, and project forward an additional year, thus maintaining a Five-Year Planning horizon).

4. At this moment Jamaica now has the technical capability to prepare a Five-Year Agricultural Sector Plan, and most of the capability for doing annual "rollovers" of the Plan, provided necessary information is available at the time and in the form required.

## II. THE AGRICULTURAL PLANNING PROJECT

The Agricultural Planning Project (APP) was designed to institutionalize Jamaican agriculture sector capabilities in three interrelated and partially interdependent areas: (1) training; (2) data collection, storage, and analysis; and (3) the preparation and execution of sectoral Policy and Production Plans.

This consultant worked in the third area, but was very much aware of its relation to the other two areas and of the overall goal of strengthening Jamaican capability in all three.

Unfortunately, a really close articulation of these three areas is possible only after a Plan document has been produced and adopted and the process of implementing it has begun. At that time:

- o information (data, analysis) requirements can be clearly specified, not only for monitoring and management of Plan execution, but also for feedback to policy analysis and production targeting for annual Plan rollover.

If Jamaica seriously attempts to execute this Five-Year Plan, it will quite likely find that present data collection and storage have some information gaps.

- o training needs come into much sharper focus once clear-cut production goals (projects) are defined and personnel needs (quantity, kind) thus identified.

At this point in time, it is not clear whether Jamaica intends to operationalize and implement this Five-Year Plan. What is evident is that, in the current economic squeeze, they will probably be unable to do so without external assistance--both technical and (especially) financial. In this respect, it is not at present clear what priority (if any) AID is assigning to Plan implementation.

The group in the Ministry given the responsibility for preparing the Five-Year Plan is an ad hoc group; they are not a formal, approved and permanent unit of the Ministry of Agriculture. Should they be disbanded when the Plan document is completed, there is little likelihood that the Plan will ever be:

- (a) Detailed from a policy/program level down into viable production projects.
- (b) Matrixed by functions, so each Division of the Ministry [organized along functional lines (e.g. research)] knows and accepts clear responsibilities for their corresponding components of the commodity projects.

- (c) Provided with the essential monitoring and feedback organization and personnel required to truly use the Plan as a management and resource allocation (efficiency) tool.

If, on the other hand, the Five-Year Plan document is not translated into the operational level and a serious attempt made to implement it, then the resources used in preparation of the document--both Jamaica's and AID's--will have been largely wasted. Jamaica has produced several quite acceptable Five-Year Agricultural Sector Plans in the past two decades, but no serious attempt has even been made to implement them as Plans, much less begin an annual adjustment or "rollover" system. It is quite certain that external encouragement will be required if Jamaica is not to add yet another unexecuted Five-Year Plan to its files.

Because of the interrelationships between the Plan and the other components of the Ag Planning Project, the effectiveness and usefulness of these other components would also suffer considerably, independent of and in addition to any internal implementation limitations they may have.

### III. THE SETTING; SOME DISQUIETING REALITIES

If technical cooperation (TC) is to be productive (for both partners), several lessons from past experience need to be taken into account in TC effort design and implementation. (All of these were present to a greater or lesser degree in the case of the APP project.)

1. Economic situation. Developing countries are in a critical and worsening economic situation; with almost universal exchange balance problems. This has at least two adverse effects on TC efforts.
  - (a) Developing countries are inclined to sign any agreement that brings in foreign exchange, or has no short-run exchange costs, even though the area involved is not really high priority for them.
  - (b) Most TC agreements have a "pump-priming" or "institutionalizing" component, which would require higher national expenditures when the project ends. National performance in this respect has never been outstanding; now compliance is the rare exception rather than the rule.
2. Many Ministries of Agriculture have reached the point where they are heavily dependent on externally funded projects for operating funds. Regular budget goes almost entirely for personnel and other "fixed," recurrent costs. This makes them tremendously vulnerable to the start-up and termination of specific projects. Departments and areas of expertise and action rise and wane, come and go, with the presence or termination of external financing and TC in specific areas.
3. Rural development is a slow process. Effective assistance requires continuity. There is nothing wrong with "packaging" this assistance in projects, provided they are sequential and aimed at incremental process improvement.

What is inefficient and sometimes even harmful is a "building block" concept of projects; "finish" one block, then start another. Most of the time these "finished blocks" erode and crumble within two years of projects' termination. Lasting benefits for development are very small, hence extremely expensive for all involved.
4. In the same vein, policy-strategy continuity is poor, both on the part of most national governments and--unfortunately--on the part of many TA organizations.

- (a) Even a change of Minister or Permanent Secretary often inverts or sharply modifies priorities. An overall change of government almost always brings major shifts in TA priorities.
  - (b) A somewhat similar situation too often exists in TC organizations. Changes in donor country government or high-officials, or even national level Mission Directors can result in major shifts in the organization's TC thrust.
5. Proportion and Appropriateness. Since most TC projects are designed (and often executed) without sufficient awareness and regard for the overall scale of national development efforts and national economic capability, too many projects are overdimensioned; they're just too big/extensive/sophisticated compared to what the nation can really afford to adopt and continue applying and financing.

**IN CLOSING**

It has been a pleasure and a challenge to work in the APP project. I hope I have made some modest contribution. In know I have learned from this experience.

I wish with all my heart the very best possible for Jamaica, its Rural Sector, and its Ministry of Agriculture.