PROJECT EVALUATION SUMMARY (PES) — PART I

Report Control Symbol U-447

1. PROJECT TITLE	2. PROJECT NUMBER	3. MISSION/AID/W OFFICE
JORDAN VALLEY FARMERS ASSOCIATION (JVFA)	278-0186	USAID/JORDAN

4. EVALUATION NUMBER (Enter the number maintained by the reporting unit e.g., Country or AID/W Administrative Code, Fiscal Year, Serial No. beginning with No. 1 each FY) PCR 85-1

PROJECT COMPLETION REPORT

☐ REGULAR EVALUATION ☐ SPECIAL EVALUATION

5. KEY PROJECT IMPLEMENTATION DATES	6. ESTIMATED PROJECT FUNDING	7. PERIOD COVERED BY EVALUATION
A. First PRO-AG or Equivalent FY 77	A. Total $ 1.773 m	From (month/yr.) 9/77
B. Final Obligation Expected FY 78	B. U.S. $ 1.161 m	To (month/yr.) 12/84
C. Final Input Delivery FY 85		Date of Evaluation Review 8/85

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

A. List decisions and/or unresolved issues; cite those items needing further study. (NOTE: Mission decisions which anticipate AID/W or regional office action should specify type of document, e.g., airgram, SPAR, PIO, which will present detailed request.)	B. NAME OF OFFICER RESPONSIBLE FOR ACTION	C. DATE ACTION TO BE COMPLETED
Project Completion Report. No follow-on projects are planned or anticipated.		

9. INVENTORY OF DOCUMENTS TO BE REVISED PER ABOVE DECISIONS

- ☐ Project Paper
- ☐ Financial Plan
- ☐ Logical Framework
- ☐ Project Agreement
- ☐ Implementation Plan e.g., CPI Network
- ☐ PIO/T
- ☐ PIO/C
- ☐ PIO/P
- ☐ Other (Specify) _____
- ☐ Other (Specify) _____

10. ALTERNATIVE DECISIONS ON FUTURE OF PROJECT

- A. ☐ Continue Project Without Change
- B. ☐ Change Project Design and/or ☐ Change Implementation Plan
- C. ☐ Discontinue Project

11. PROJECT OFFICER AND HOST COUNTRY OR OTHER RANKING PARTICIPANTS AS APPROPRIATE (Names and Titles)

F.QUSHAIR, USAID PROGRAM SPECIALIST (AGR)
J.ZUREIKAT, DEPUTY DIRECTOR GENERAL, JVFA
D. GOONETILLEKE, SUPPLY ADVISRO, JVFA
D.SCHRODER, USAID, AGRICULTURAL ECONOMIST
W.FURTICK, USAID AGRICULTURAL DEVELOPMENT OFFICER

12. Mission/AID/W Office Director Approval

Signature

Typed Name GERALD F. GOWER

Date Oct 15, 1985

AID 1330-15 (3-78)

NEAR EAST EVALUATION ABSTRACT

PROJECT TITLE(S) AND NUMBER(S)	MISSION/AID/W OFFICE
Jordan Valley Farmers Association, 278-0186	USAID/JORDAN

PROJECT DESCRIPTION Through the provision of U.S. technical assistance and training, the purpose of the project is to "assist the Jordan Valley Farmers Assoc. in establishing policies and procedures and developing viable operating systems in the specific areas of: (1) Overall management/planning; (2) Farm management, guidance and information; (3) Credit; and (4) Supply."

AUTHORIZATION DATE AND U.S. LOP FUNDING AMOUNT	PES NUMBER	PES DATE	PES TYPE
FY 77 $1.61 million	PCR 85-1	8/29/85	☐ Regular ☐ Other (Specify) ☐ Special ☒ Terminal

ABSTRACT PREPARED BY, DATE	ABSTRACT CLEARED BY, DATE
David Schroder Acting USAID Evaluation Officer - 8/29/85	PRM:NCHardy PO:WFurtick DD:RJohnson PO:TRishoi DIR:GFGower PROG:RBrown

This evaluation was undertaken to assess project progress of the Jordan Valley Farmers Association (JVFA) since the last formal evaluation PES 80-4 and serve as a project completion report and final evaluation report of the JVFA.

The Project Completion Report/Final Evaluation (PCR/FE) draws from information sources such as past project evaluations, a special review conducted in May 1983, Mission in-house project reviews, press reports, and discussions with JVFA and Jordan Valley Authority (JVA) staff. The JVFA project was an institutional building project designed to strengthen management capabilities and provide services to association members. Implementation ended in 1984 and all funds have been disbursed.

The PCR/FE reveals that despite commodity procurement delays and implementation problems the project has made significant progress towards achieving the project purpose and goal. Vegetable yields in the Jordan Valley have increased approximately 115 percent since 1977 when the JVFA was created. Approximately 4,700 farmers have been provided with farm services such as farm inputs, information on improved cropping practices, production credit, etc. External factors such as budgetary constraints on government expenditures, the association operating under temporary by-laws and the non-implementation of certain activities such as product marketing resulted in the JVFA not fully meeting its project purpose. There have also been internal factors which produced negative results and adversely affected achievement of project purpose. These include delays in commodity procurement, the late recruitment of the Farm Input Supply Advisor, the JVFA staff lack of understanding of AID regulations and procedures, and having to implement this project thru another agency (Jordan Valley Authority).

Key findings of the PCR/FE include the importance of the commitment of the Government of Jordan in continuing to support the JVFA as a potentially viable institution serving Jordan Valley farmers. The GOJ has established a committee to evaluate the JVFA and make recommendations that will improve the management capacity of JVFA and its financial situation. However, the Project

Officer believes that the JVFA is unlikely to be able to carry-out its overly ambitious programs outlined in its by-laws due to inadequate management abilities of its staff and the cash flow problems currently facing the association due primarily to low repayment of production loans and underpricing of farm inputs sold to farmers.

LESSONS LEARNED ARE :

1. Avoid, whenever possible, working with more than one institution with respect to administrative matters. USAID was working with the JVFA through the JVA and this contributed to delays in executing project activities. The JVA gave excellent support and cooperation to this project. An effort should have been made to clearly delineate the actions required from both the parent organization, the JVA, and the direct recipient, the JVFA.

2. Evaluations should be conducted with "outsider's" participation to allow more objectivity in measuring project progress and impact.

3. The GOJ Project Managers of AID-funded projects should be encouraged to receive training in AID regulations governing project implementation and evaluation.

3. Summary and Background Statement

The Jordan Valley Farmers Association (JVFA) Project is an institution building project. JVFA has received assistance from AID through two projects: (1) a Technical Assistance Project No.278-0186 (Grant) for which this is the Project Completion Report (PCR) and (2) a Credit Project for JVFA (Loan). Formal, in-depth joint evaluations of these two projects were made in December 1980 and February 1982. These highlighted in considerable detail the problems which were encountered, the progress made by the Association and recommended specific actions aimed at improvement of JVFA and its operations. An extensive review was also made in May 1983.

Law 19, of 1974, established the JVFA and entrusted it with a very ambitious program. It was not until 1977 that JVFA was actually organized. It started with a skeleton staff of only 20 employees and the services it provided at the start were very modest. The JVFA experienced predictable difficulties and delays. It was new, did not have adequate support or sufficient number of trained staff capable of implementing a complex program with diversified activities such as its law envisioned. This resulted in JVFA postponing some of its activities and totally abandoning others such as product marketing and agribusiness. Conflicts erupted between the JVFA Board of Directors and Management over authorities and responsibilities which were not clearly delineated. JVFA has operated under temporary by laws which to date have not been formalized in spite of repeated appeals by its Director General for formalized by laws. JVFA's operations picked up momentum beginning in the summer of 1978 with the assistance of two AID Projects (Technical Assistance involving a fairly heavy participant training program and credit) and grew substantially since then. The Association now has 95 employees, a membership of 4,700 and 7 branch offices through which it extends services to Jordan Valley farmers. The credit and input supply schemes supported by USAID projects were effective in making the JVFA visible, though not viable, and in establishing it as an institution recognized by farmers.

Much has changed in the Jordan Valley since 1974 when the JVFA Law was enacted. This was primarily the result of infrastructure projects and private sector investment. It is felt that the JVFA law needs to be amended to conform to present realities in the Valley. A high level committee headed by the Minister of Agriculture was appointed by the Government in April 1985 which looked into the JVFA and its organization. It submitted recommendations which, if implemented, could impact positively on the Association's operations and possible future success. The JVFA is in the process of establishing a fertilizer blending plant as the result of a study conducted with USAID assistance. The

fertilizer project will be in partnership with the Agricultural Credit Corporation and the Industrial Bank of Jordan. If successfully completed, this plant should help alleviate the liquidity problem of the JVFA. The liquidity problem is largely attributed to a high rate of delinquency in loans and because the JVFA is charging below market prices for input supplies sold to farmers.

The evaluation team feels that while JVFA has been handicapped in a number of its activities, it is nonetheless an organization which has been established in the Valley. It has contributed to the development of the Valley and to increased farmer yields, production and GDP. If it were not for these shortcomings and deficiencies much greater achievements would have been made. It will take a number of years for the JVFA to become a financially viable institution, and this will only be possible if it receives adequate support and is willing to make the necessary reforms, including proper pricing of inputs and decision making.

Significant lessons learned from this project were:

1) Host country managers of AID funded project should be provided training in AID regulations governing project implementation and evaluation and
2) Expectations and the mandate for a new organization should be more realistic.

14. Evaluation methodology

This Project Completion Report is based on close monitoring by USAID personnel during project implementation and after termination on December 31, 1984, the Project Assistance Completion Date (PACD). The primary purposes of this report are to assess progress and impact of the project on the JVFA and its operations, provide a record of the problems faced and lessons learned and make recommendations. The report builds and draws upon: (1) a formal evaluation, PES 80-4, conducted in December 1980, (2) a special review made in May 1983 in which the President of the Jordan Valley Authority (JVA), the former Chairman of the JVFA Board of Directors, the USAID Director, Agriculture Development Officer, and Project Officer participated, (3) about six USAID Mission in-house project reviews carried out during the life of the project, (4) press reports appearing in local newspapers and 5) discussions with the JVFA and the Jordan Valley Authority (JVA) officials.

Principal contributors were: Jamil Zreikat, Deputy Director General, JVFA, Don S. Goonetellike, Contractor and from USAID, Fuad Qushair, Project Officer, William Furtick, Agricultural Development Officer, and David Schroder, Agricultural Economist.

15. External Factors

At the time of the evaluation of December 1980, PES 80-4, the Jordan Valley was in the midst of a period of accelerated transformation from traditional, quasi-subsistence into modern, capital intensive, high technology oriented commercial agriculture. Since 1980 this trend has continued at an accelerated pace and benefited farmers substantially. Major infrastructure projects carried out largely with donor assistance by the Government of Jordan (GOJ), through the Jordan Valley Authority (JVA), were then being completed. These included pressurized irrigation facilities suitable for both sprinkler and drip irrigation, marketing facilities, schools, hospitals and clinics, housing, roads and the installation of a power grid. Land was distributed to farmers and brought under irrigation. These infrastructure projects were catalyst in attracting the private sector to make heavy investment in irrigated farming. Private sector investments in agriculture were directed mainly to plastic tunnels, green houses, drip irrigation often in combination with plastic mulch. The combined public and private sector investments have impacted strongly on the economic and social development of the Jordan Valley farmers and have turned the Jordan Valley into an area development showcase.

In the last couple of years, however, the GOJ has been facing budgetary constraints largely as a result of a decline in external resource availabilities. Expenditures under the second Five Year Plan (1980-1985) were only 64% of the originally planned amount. Austerity measures have extended to the other areas of the Government's budget. Estimated budget expenditures in 1985 are not expected to increase and strenuous efforts are being made to increase domestic tax revenues. These budgetary constraints have reflected adversely on the JVFA which did not receive the anticipated budgetary support from the GOJ in 1983, 1984 and to date in 1985.

This has significantly limited JVFA's ability to serve farmers effectively. In earlier years the GOJ made contributions amounting to JD 125,000 during the period 1978-1980, none in 1981, and JD 120,000 in 1982. Government contributions were made to the JVFA to cover its operational costs and salaries of its staff.

16. Project Inputs

The project inputs as planned in the Project Paper (PP) consisted of:

(A) 5.5 person years by 3 resident technical consultants to advise the JVFA in the specific areas of:(1) overall management - planning, (2) agricultural credit, and (3) farm management guidance and information;
(B) 14 person months of participant training:
(C) 19 person months of short term (TDY) consultant services and
(D) material support including 3 vehicles and equipment.

Project expenditures, in thousand U.S. Dollars, were as follows:

Contract services	$ 926
Participant training	69
Commodities	166
	$1,161

As indicated in the previous evaluation, project inputs as planned in the Log Frame had in large measure been provided but with much delay. Technical consultants from Fredricksen, Kamine and Associates (FKA) were provided through a host country contract. The consultants were not as effective as planned and their recommendations had limited adoption because they dealt more with theories than realities. The consultants departed Jordan prior to the last evaluation.

Acting on the recommendations of the 1980 evaluation team, a supply advisor for two years was recruited to further upgrade an expanding farm input supply department. This advisor started work for JVFA in September 1982 and was funded under this Project through December 31, 1984. Following this date his contract was extended for one year under the Technical Services and Feasibility Studies Project to end December 1985, outside this Project, in order to assist the JVFA in the establishment of a fertilizer blending plant. In addition, a training plan was developed and implemented; almost all participant training was provided during the period following the last evaluation.

Recommended commodities were procured and are being used. They consisted of vehicles and a mobile audio visual unit with an approximate value of $140,000. However, plans for bringing in a U.S. credit advisor for 6 months, as recommended in the last evaluation, were abandoned because local expertise in credit was available from the Agricultural Credit Corporation which the JVFA tapped. The JVFA also decided to use USDA sponsored courses in the training of its staff in small farmer credit policies, distribution and administration. Project funds were not used for a telex machine as had been recommended in the previous evaluation. The JVFA used its own funds to purchase the telex.

Delays in commodity procurement, the completion of staff training and the late recruitment of the farm input advisor necessitated extensions of the PACD. Other reasons for PACD extensions were to allow sufficient time for a prefeasibility study to be completed and arrangements made for the establishment of a fertilizer blending plant. Original PACD and extensions are shown below:

Original Grant Ageement signed	September 27, 1977
established PACD	June 30, 1980
Implementation Letter No. 1 dated	March 25, 1978
extended PACD to	December 3, 1980
Implementation Letter No. 4 dated	December 3, 1980
extended PACD to	June 30, 1981
Implementation Letter No. 6 dated	November 11, 1983
extended PACD to	December 25, 1983
Implementation Letter No. 13 dated	October 25, 1983
extended PACD to	December 31, 1984

The above delays which occurred were largely attributed to a lack of understanding of AID regulations on the part of some key JVFA staff members, particularly with regard to procurement and contracting procedures. This resulted in the USAID Project Officer carrying out, on behalf of the JVFA, almost all procurement, preparing and/or revising contract documents, developing training programs and requests for the PACD extensions with only limited participation by the JVFA. Also, communication with the Valley has been difficult. In addition, USAID had to work with the JVA as the official Government agency through which AID assistance was provided to the JVFA.

The Project Officer had excellent working relationships with the JVA which had to clear and/or approve all activities (procurement of services and commodities, training, etc.). This facilitated progress, but the fact that the USAID had to work with another agency not directly responsible for project implementation resulted in unavoidable delays. Because of interference by the Board of Directors in the day to day affairs of the Association, the Director General and his staff were not free to exercise their powers in conducting JVFA business which also contributed to the above delays and administrative inefficiencies.

Since December 1980, the GOJ, through JVA and/or JVFA provided a highly qualified counterpart for the input Supply Advisor who was financed under the project. Also provided were: fairly adequate administrative and executive services, adequate space and utilities, and international travel for all staff trained under the project.

In monetary terms, the total contribution of the GOJ greatly exceeded the $347,000 estimated in the PP. The GOJ made a total cash contribution of the equivalent of $612,000 excluding rental value of office space provided by the JVA.

17. Outputs

Assesment of progress:

A. Overall Management, Organization and Long Range Planning Development.

The JVFA has not developed the management and planning capability envisioned in the PP. This has been due to the limited resources available to the JVFA, and the inadequacy of support it has received from Government agencies as well as the relatively new, largely untrained and inexperienced staff. It is still unable to carry out the overly ambitious program outlined in its law No. 19 of 1974. This and other facts were highlighted and discussed in more detail in the 1980 evaluation. To date, the JVFA Law has not been revised as recommended, and the Association is still operating under temporary by-laws concerning personnel, finance and supply. It has not been charged with the responsibility for product marketing as called for in the law. The marketing facilities constructed in the Valley with other donor assistance were recently turned over to a newly established quasi-governmental organization and not to the JVFA as had been contemplated in JVFA's Law. The new company, called "The Jordanian Company for Marketing and Processing Agricultural Products", is owned by the GOJ (51%) and private sector (49%). The JVFA shares in the new company valued at JD 750,000 were contributed by the GOJ.

In an effort to deal with the JVFA problems, the former Prime Minister in April 1985 established a high level special committee consisting of: 1) the former Minister of Agriculture as Chairman, 2) the Chairman of the Board of Directors of the JVFA, 3) the President of the JVA, 4) the Director General of the Agricultural Credit Corporation, and 5) one member from the Prime Minister's office. The committee was charged with examining the JVFA operations with the objective of enhancing its ability. In May 1985, this committee submitted its recommendations which include the following:

1. The JVFA Board of Directors should be reduced to 11 members 6 to be elected from farmers. Presently the Board of Directors is made up of 15 members, 10 elected from farmers and 5 from government or quasi-governmental agencies.

2. The Director General to be appointed and paid by the Prime Minister's office and be made a member of the Board of Directors of which he is not under the present system. This is designed to protect the Director General from the Board of Directors interference in the JVFA day-to-day affairs.

3. The functions and responsibilities of the Board of Directors to be properly defined and better clarified to avoid disputes between the executive (Director General and staff) and Board of Directors and its Chairman. The latter should be responsible only for policy decisions.

4. Government of Jordan to make an annual grant of JD 200,000 toward meeting the administrative and operational costs of the JVFA. As stated earlier, the Government did not make anticipated contributions in 1983, 1984 and todate in 1985.

5. Ministry of Agriculture extension agents to work in close cooperation with the JVFA agriculturists in the field.

6. Government of Jordan to consider granting a long term (15 to 20 years) interest free loan of JD 2 million to the Association to enable it to carry out its agribusiness activities.

8. Law No. 19 of 1974 which established the JVFA to be modified to conform to the existing situation

None of these recommendations have been implemented to date and it is not known how the present Government which took office in April 1985 views the recommendations or, for that matter, the whole role of JVFA as an institution. However, if these recommendations are implemented, they would contribute positively to the achievement of project purpose and goal and the further development of the JVFA. On July 28, 1985 the Prime Minister met with JVFA Board of Directors, and, following the meeting, the Board Chairman indicated that the discussions were positive and that improvements in JVFA can be expected. It is concluded, therefore, that the project has had limited success in fulfilling the objectives of overall management, organization and long term planning for the Jordan Valley Farmers Association.

B. Credit System

The small farm credit system was made up of two components: (1) a seasonal production credit program and (2) a supervised credit program under which the crop was to be used as collateral. The small farmer credit system was established

and put into operation by 1979. Since then no technical assistance in credit was provided and the JVFA has continued using the earlier established system in making loans to farmers. It has developed and maintained effective linkages between credit and the farm input supply department which contributed to the success in the implementation of the seasonal production credit program (1) above. The supervised credit program involving crop collateral (2 above) never came about since the marketing centers which were a basic component of the credit program were never put under the charge of the JVFA which has been relieved of the marketing responsibilities foreseen in the law.

The JVFA credit program suffers from a high delinquency rate which, to a considerable extent, is traced to the absence of the planned marketing services, the mechanism which had been envisioned for the collection of loans. Furthermore, the JVFA has been suffering from a severe liquidity problem due primarily to Government budget constraints referred to above, and is presently unable to make cash loans; instead it is making in-kind loans for up to the full amount of the loan. In spite of these shortfalls, the credit program of the JVFA has been one of the areas (the other is farm input supplies) that made the JVFA an established institution. From 1980 through 1984, it has made loans to farmers as follows [all amounts are in Jordan Dinars (JDs)]

Year	No. of Loans	JD
1980	641	512,063
1981	437	362,226
1982	601	940,890
1983	320	286,819
1984	300	147,442

The substantially reduced level of loans in both 1983 and 1984 was due to the unfavorable financial situation of the JVFA.

C. Farm Management

At the request of the Director General, JVFA, the team which conducted the evaluation of December 1980 recommended two person years of U.S. farm management advisory support. It later became evident that responsible officials in the Government did not share the views of the Director General and the evaluation team and did not give priority to this need. The farm management department was changed to an agricultural service section and its planned role was greatly minimized. It has nonetheless worked fairly extensively with a significant number of farmers in demonstration activities relating to: (a) the use of fertilizers, improved seeds and

pesticides, (b) disease and parasite control, and (c) farming methods, up to and including harvesting practices. During several growing seasons the JVFA also assisted farmers in spraying their crops.

D. JVFA staff trained in specific areas of expertise

12 JVFA staff received short term (averaging about 6 weeks) training in the U.S. and attended 14 courses in various disciplines. Participants' names, fields of training and dates of departure to U.S. are shown below.

Participant name	Field of Training	Departure date
Mohammad Zaher Ghazawi	Small Farmer Credit Distribution and Administration	August 1980
Mohammad Barakat Tawil	Agricultural Cooperative Development	September 1980
Shaker Mamdouh Al-Ghazawi	Agricultural Cooperative Development	September 1980
A'kef Zubi	Farm Cooperative	August 1981
Samir Haddadin	Farm Cooperative	August 1981
Dr. Imad Haddadin	Study tour in the U.S.to observe Cooperative Management, Organization and Marketing	May 1983
Shaher A. Arabiet	Development of Markets	June 1983
Shaker Al-Ghazawi	Management of Government	June 1983
Mazen Eid Gnehm	Vegetable Production	
Mohammad Barakat Tawil	Agricultural Communication	July 1983
Jamil Zreikat	Fertilizer Production and Marketing	August 1983
Tayseer Al-Asi	Post Harvest Food Losses	September 1983
Talal M. Sharari	Small Farmer Credit Policy	September 1983
Mohammad Ali Al-Saleh	Small Farmer Credit Policy	September 1983

As can be seen from the list, most of the training was provided since the last evaluation conducted in December 1980. Since then 11 courses out of the 14 listed above were attended by the JVFA staff. The overall training program under this project has been successful and exceeded expectation. The number trained (12) is nearly double that of the 7 given in the PP. In the opinion of the evaluating team, the training program contributed substantially to developing the capability of the JVFA staff in their respective areas of specialization. It is rewarding to note that all, but one, of the returned participants are still on the staff of the JVFA. This is considered to be a high rate of retention of participants when viewed against the background of experience of other institutions.

E. Farm Input Supply System:

Since the last project evaluation, considerable work was done in the farm inputs supply area which was not explicitly covered, though implied, in the PP. This work was accomplished with the assistance of the supply advisor who was recruited on the basis of a recommendation in the last evaluation. Improved procedures for purchasing, storage and distribution were developed and put into use. The Farm Input Supply Department (FISD) has been one of the most successful aspects of the project. It began sales of fertilizers, pesticides and improved seeds in Aug. 1978 and since that time the Department has greatly expanded its operations. It is making contacts with suppliers, manufacturers and producers of agricultural inputs. The Department's staff who received considerable training, including on-the-job training, by the supply advisor are now conducting all procurement unaided.

Sales of the FISD from 1980 through 1984 and estimated sales for 1985 are as follows:

Year	Amount
1980	JD 261,000
1981	JD 451,000
1982	JD 1,300,000
1983	JD 650,000
1984	JD 750,000
1985	JD 750,000 (estimated)

The JVFA is currently working towards the establishment of a fertilizer blending plant. The JVFA will own one third and the other two thirds will be equally divided between the other partners, the Jordan Industrial Development Bank (JIBD) and the Agricultural Credit Corporation (ACC). The plant under consideration is the outcome of a study conducted by the FISD staff with the active participation of the USAID financed Supply Advisor and assisted by a USAID-sponsored study tour in the United States, by the Deputy Director General who also serves as Head of the Supply Department. The evaluation team is inclined to believe that, if and when established and in operation, the expected revenue to be derived from the blending plant's operations would contribute substantially to the easing of the liquidity problem which JVFA has been facing and likely will continue to face. It is expected that much of the basic groundwork will be completed by the end of 1985 and that, by May 1986, the plant will be operational and in production. The plant should be a strong arm of the Supply Department and certainly of JVFA. However, it is of the utmost importance to this institution and its long-term viability to follow a policy which would ensure that prices of

farm input supplies (including the fertilizer to be produced by JVFA plant) are fixed at levels equal or close to factor market prices. JVFA management has been under some pressure by the Board of Directors to underprice input supplies. Some members of the Board of Directors are farmers and members of the JVFA. The evaluation team strongly recommends that JVFA seriously consider full cost pricing of inputs and the initiation of a system whereby members benefit from end-of-year profit dividends.

F. Specific studies conducted:

As indicated earlier in this report, and as a result of a study/observation tour by the Deputy Director General, the JVFA and the Supply Advisor, a study for the establishment of a fertilizer batching plant was conducted. Based on this study, the JVFA in partnership with the JIBD and ACC will be implementing this project for which arrangements are currently underway.

18. Purpose

The purpose of this project is "to assist the Jordan Valley Farmers Association in establishing policies and procedures and to develop viable operating systems in the specific areas of: (1) overall management/planning; (2) farm management, guidance and information; (3) credit; and (4) supply."

Assessment of Progress

Sound policies, procedures and operating systems in the above mentioned specific areas have not been established and JVFA has not become the viable institution visualized in the PP. While it appears the Association is adequately staffed in terms of numbers of staff (95), it is not clear whether each of its Departments is sufficiently staffed with experienced and qualified personnel capable of performing in a manner commensurate with the expected level of effort. One department may be adequately staffed, a second may not and JVFA as a whole could well be overstaffed.

The 95 employees JVFA now has on board compares with 60 at the time of the last evaluation (Dec. 1980) and only 20 when it started operation in 1978. The JVFA still operates under temporary by-laws instead of the formalized by-laws envisioned (Item 2 under verifiable indicators - Project Log frame). During the May 1983 special project review attended by the USAID Director, the President of the JVA and the then Chairman of the Board of Directors of the JVFA both expressed their feeling that the "informal by-laws under which the JVFA is now operating gave the JVFA enough flexibility in its operations..... and that formalized by-laws would tie the JVFA's hands". They felt the JVFA was better off with ad hoc by-laws since these can be changed as frequently as the JVFA wishes and, therefore, did not see the need for formalized by-laws.

The establishment of the planned agribusiness department and the marketing department never materialized. The previous evaluation indicated that all envisioned segments of the JVFA activities are not in operation and not likely to be in the near future. It concluded that the data collection program for the JVFA should not have been included in the Project Paper and that it was more logically the responsibility of the JVA, the agency responsible for the social and economic development of the valley, or the GOJ Department of Statistics.

USAID in the Project Paper (Broad Scope of Proposed Activities) correctly expressed concern about the numerous activities conceived for the JVFA and the requirements they would impose on a new organization with limited and inadequately prepared staff. The present evaluation team feels that the inadequate resources made available to the Association, as evidenced in the marketing and related functions, together with lack of planned follow through on cooperation by supporting agencies were largely responsible for the JVFA's inability to assume the responsibilities and carry out the functions planned for in the law.

In spite of the above shortcomings, the JVFA is providing needed services to the Jordan Valley farmers in two critical areas, i.e. credit and farm inputs supply. There is every economic reason to believe that increased availability of these two resources to farmers and at lower than previously existing prices should positively influence the trend of increased production, and, therefore, increased GDP in the Valley.

At present the JVFA has seven sections as follows:
(1) Supply
(2) Finance
(3) Administration, Legal and Public Relations
(4) Membership
(5) Agricultural Services
(6) Credit and Loan Collection Follow-up
(7) Marketing

As indicated above, the JVFA and its operations were subject to a review in April 1985 by a special high level GOJ committee. The recommendations made by that committee could, if implemented, result in some changes in the organization and structure of the organization.

19. Goal/Sub-goal

As stated in the PP, the Project Goal was to increase agricultural yields, production and farmers' income. The sub-goal was to create a viable and effective Farmer Association providing farm services to Jordan Valley Farmers. The JVFA provided to its members production credit, farm input supplies, and information concerning improved farming practices.

The supply of seasonal credit helped farmers purchase production inputs critically needed to increase farm output. The farm input supply department of the JVFA played a very important role in obtaining and distributing seed, fertilizer, chemicals and information on input usage to members of the Association. Therefore, there is reason to believe that the JVFA, particularly its agriculture credit and farm supply activities, has played a fairly significant role in recent agricultural gains in vegetable production.

The land areas for cucumber, eggplant and tomato which are important cash crops grown in the Valley increased by approximately 353, 17 and 13 percent respectively, since 1977. (See Table One). The potato area decreased by approximately 86 percent since 1977, but potato yields per dunum have increased, reflecting improved management practices and input usage; (See Table Two). Cucumber and tomato yields increased approximately 123 and 107 percent since 1977. Overall production changes are illustrated in Bar Chart One for selected vegetables. Again, tomatoes and cucumbers show the largest increases in production. It is believed that the JVFA should be credited with at least 15 percent of the production increase in vegetable crops during this time period.

20. Beneficiaries

Target beneficiaries of this project were approximately 4,700 farmers who are members of the Jordan Valley Farmers Association. Those with the most to gain from the services and products provided by the JVFA are the small-scale farmers who represent approximately 75 percent of the Valley farmers. The small-scale farmers benefited from the JVFA farm services and products offered that would normally not have been available in a timely manner. The JVFA offered to the small-scale farmers farm inputs and credit services at lower than prevailing market prices. In addition, the small scale farmers received from the JVFA information concerning better farming practices. They also benefited significantly by increased farm yields and farm income through the use of production inputs which were supplied by the JVFA (see table two).

Table One

PRODUCTION AND ACREAGE ESTIMATES FOR

SELECTED VEGETABLES IN JORDAN VALLEY

1977 and 1982

Crop	1977 Production (Metric tons)	1977 Area (dunums)	1982 Production Metric Tons)	1982 Area Dunums	% Change in Area
Tomato	66,290	66,936	154,210	75,259	13
Eggplant	23,365	20,710	42,001	24,186	17
Potato	11,697	10,440	2,353	1,411	(86)
Cucumber	6,027	6,178	48,130	22,036	353
Squash	25,398	22,674	29,341	22,457	1

Source: Department of Statistics Agricultural Sample Surveys

Table Two

Estimated Yield Increases for Selected Vegetables

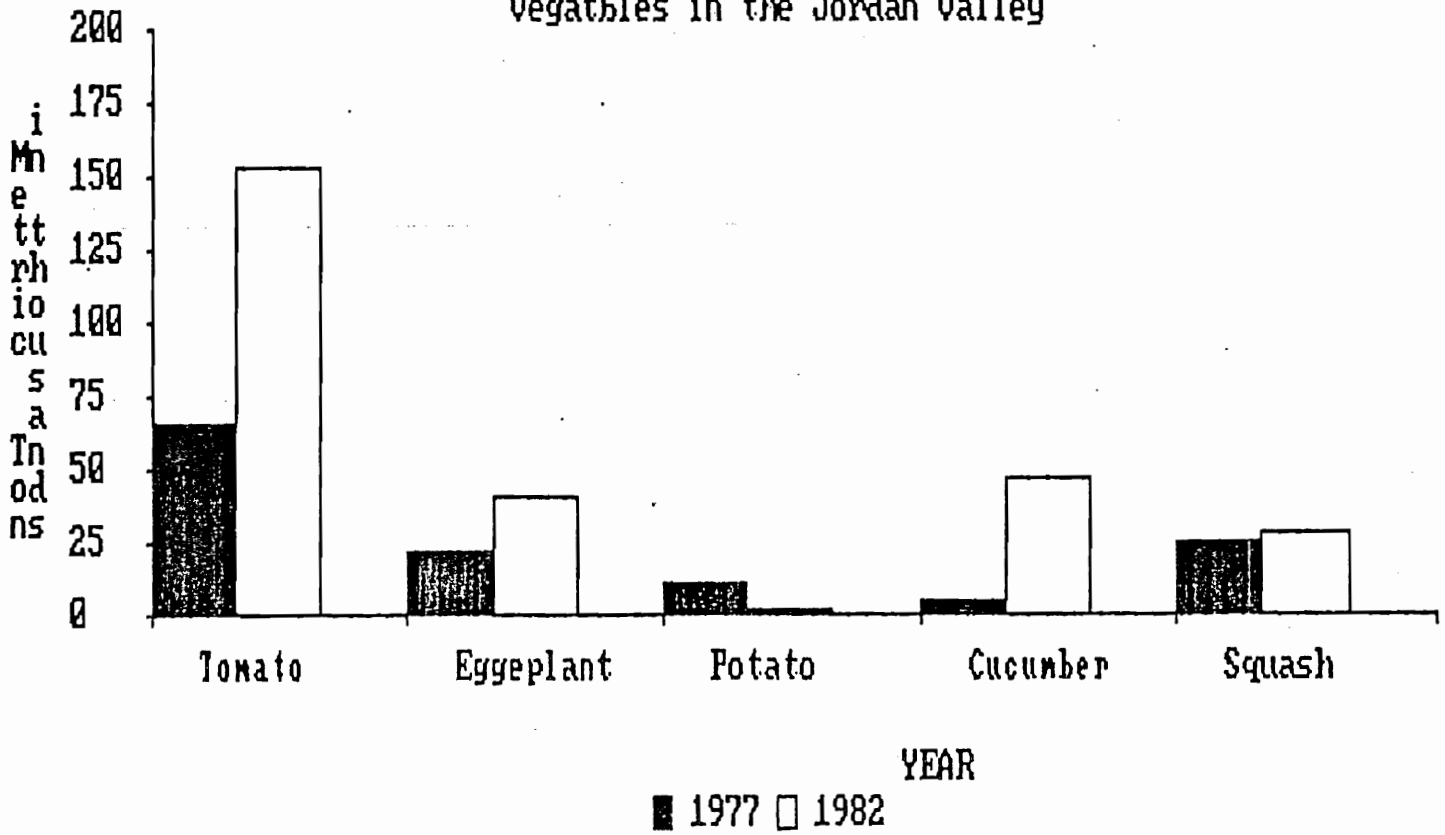
In Jordan Valley

1977-1982

Crop	1977 kg/du	1978 kg/du	% increase in yield
Tomato	990	2,049	107
Eggplant	1,128	1,737	54
Potato	1,124	1,668	48
Cucumber	976	2,184	123
Squash	1,120	1,307	17

Source: Department of Statistics Agricultural Sample Surveys

FIGURE 1
Production Changes for Selected
Vegatbles in the Jordan Valley



21. Unplanned effects

The establishment of JVFA served as a catalyst in promoting the Jordan Cooperative Organization (JCO) (another institution providing credit and input supply in the Valley) to take more aggressive steps and to intensify its efforts in those two areas. The JCO is a much older institution and provides credit and input supplies to cooperative societies. Members of cooperative societies in the Valley may well be the same members of the JVFA. In at least the credit area, the JVFA appears to be more efficient and doing a better job than JCO. The JVFA extends its loans based on close scrutiny of loan applications and farm plans. The lack of loan supervision and proper loan structuring have been factors affecting repayment.

22. Lessons learned:

In addition to the lessons learned and reported under this section in PES 80-4, the following may be added:

1. Avoid, whenever possible, working with more than one institution with respect to administrative matters. USAID was working with the JVFA through the JVA and this contributed to delays in executing project activities. The JVA gave excellent support and cooperation to this project. An effort should have been made to clearly delineate the actions required from both the parent organization, the JVA, and the direct recipient, the JVFA.

2. Evaluations should be conducted with "outsider's" participation to allow more objectivity in measuring project progress and impact.

3. The GOJ Project Managers of AID-funded projects should be encouraged to receive training in AID regulations governing project implementation and evaluation.