

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT DATA SHEET		1. TRANSACTION CODE <input checked="" type="checkbox"/> A = Add C = Change D = Delete	Amendment Number	DOCUMENT CODE 3
2. COUNTRY/ENTITY ZAIRE		3. PROJECT NUMBER 660-0119		
4. BUREAU/OFFICE AFR		5. PROJECT TITLE (maximum 40 characters) Agricultural Policy and Planning		
6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 04 9 6		7. ESTIMATED DATE OF OBLIGATION (Under "B" below, enter 1, 2, 3, or 4) A. Initial FY 86 B. Quarter 3 C. Final FY 89		

8. COSTS (\$000 OR EQUIVALENT \$1 =)

A. FUNDING SOURCE	FIRST FY 86			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total						
(Grant)	(2,600)	()	(2,600)	(14,500)	()	(14,500)
(Loan)	()	()	()	()	()	()
Other U.S.						
1.						
2.						
Host Country		636	636		10,000	10,000
Other Donor(s)						
TOTALS	2,600	636	3,236	14,500	10,000	24,500

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) FN	180	050		-		14,500		14,500	
(2)									
(3)									
(4)									
TOTALS				-		14,500		14,500	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)
650 | 051 | 052 | 053

11. SECONDARY PURPOSE CODES
130

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)
A. Code | B. Amount

13. PROJECT PURPOSE (maximum 480 characters)

To increase the institutional capacity of the Government of Zaire to develop and implement coordinated agricultural policies and investment plans.

14. SCHEDULED EVALUATIONS

Interim	MM YY	MM YY	Final	MM YY
	1 0 8 7	1 0 8 9		0 1 9 6

15. SOURCE/ORIGIN OF GOODS AND SERVICES
 000 941 Local Other (Specify)

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment)

17. APPROVED BY

Signature: Richard L. Podol
Title: Director, USAID/Zaire

Date Signed: MM DD YY
14 | 15 | 86

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION
MM DD YY

Annex 7 -- Proposed Scopes of Work for
Technical Assistance Team

SCOPE OF WORK -- CHIEF OF PARTY

The Chief of Party will work in close collaboration with the SEP Director and with the DSP and DSA Division Chiefs. He will:

1. Coordinate the activities of the technical assistance team at the Service d'Etudes, and review all reports, studies, and policy papers prepared under the project.
2. Handle liaison with USAID, the GOZ, and cooperating foreign donors for administration, information, and analysis.
3. In collaboration with the DSP and DSA Division Chiefs insure that steps are taken to develop and maintain close and collaborative working relationships between the offices of the two divisions.
4. Advise SEP Director and Division Chiefs on agricultural policy and program issues.
5. Prepare and submit brief quarterly reports and annual reports of the activities of the technical assistance team.
6. Insure adequate support services are provided to the contract team.
7. Supervise the work of the project administrative officer and assistant.
8. Advise the Director of SEP and the Division Chiefs on staff utilization, organizational structure, and administrative procedures.
9. Coordinate (with the SEP Director and the DSP and DSA Division Chiefs) selection of participant training candidates for long-term training in the U.S., and implementation of preparatory training programs (in English and substantive courses) to be provided in Zaire.
10. Assist the SEP Director to identify, arrange, and coordinate short-term technical consultants under the project.
11. Participate as required in project 119 evaluation activities and any subsequent redesign work.
12. Study the feasibility of marketing the analytical and data-collection services of SEP, and (if deemed to be feasible) develop and implement a program for marketing of SEP services.

SCOPE OF WORK -- ECONOMIC ANALYSIS ADVISOR

The Economic Analysis Advisor will advise the Chief of the Economic Analysis Office in:

1. Planning and directing the continuation of the series of production and marketing reports on major agricultural commodities. The commodity reports are to be updated regularly, and over time both the quality of data used in these reports and the level of their analytical sophistication should be improved with special interest to sub-sector policy constraints and options.
2. Planning and directing the continuation of the series of biennial reports on the Current Situation of Zairian Agriculture.
3. Collaborating with the Chiefs of the Data Collection and Data Processing Offices in the conceptualization, elaboration, collection, processing, and analysis of data collection efforts to be carried out as part of the preparation of the Commodity and Current Situation Reports.
4. Developing annual work plans and budgets for the Office, monitoring progress toward achievement of those work plans, and responding to urgent and specific requests from MOA, SEP, and USAID.
5. Providing on-the-job training in economic analysis to the staff of the Office (with the Commodity and Current Situation Reports serving as the principal vehicles for this training), proposing candidates for participant training, and selecting additional staff as needed.
6. Collaborating with the Agricultural Policy Coordinator, as appropriate, to contribute to policy papers on selected topics and to the annual policy and planning conferences.

In addition, the Economic Analysis Advisor if qualified will:

7. Serve as a field thesis supervisor for returned participants from the Economic Analysis Office who are doing Master's theses, advising them on technical content and research methods.

SCOPE OF WORK - PROJECTS OFFICE ADVISOR

The Projects Office Advisor will advise the Chief of the Projects Office in:

1. Planning and directing the initiation of a series of 24 project evaluations, focusing on agricultural development projects highlighted in Zaire's Five-Year Development Plan for 1986-90. The selection of projects to be evaluated will be made in consultation with the General Directorate for Project Administration and in consultation with the DSP Division Chief and SEP Director.

2. Preparing a set of recommendations (based in part on the series of project evaluations) regarding financing of agricultural development (including specific project proposal papers) as input into the preparation of a public investment program for Zaire's agricultural sector for the period immediately following that covered by the Five-Year Plan.

3. Collaborating with the Chiefs of the Data Collection and Data Processing Offices in the conceptualization, elaboration, collection, processing, and analysis of data collection efforts to be carried out as part of the preparation of the project evaluations and proposals/papers.

4. Developing annual work plans and budgets for the Office, monitoring progress toward achievement of those work plans, and responding to urgent and specific requests from MOA, SEP and USAID.

5. Providing on-the-job training in project analysis (identification, design, and evaluation) to the staff of the Office (with the project evaluations and proposals/papers serving as the principal vehicles for this training), proposing candidates for participant training, and selecting additional staff as needed.

6. Collaborating with the Agricultural Policy Coordination, as appropriate, to contribute to policy papers on selected topics and to the annual policy and planning conferences.

In addition, the Projects Office Advisor if qualified will:

7. Serve as a field thesis supervisor for returned participants from the Projects Office who are doing Master's theses, advising them on technical content and research methods.

SCOPE OF WORK -- AGRICULTURAL PLANNING ADVISOR

The Agricultural Planning Advisor will advise the Chief of the Agricultural Planning Office in:

1. Planning and directing the continuation of the series of regional planning studies. These studies are to be updated regularly, and over time both the quality of data used in these studies and the level of their analytical sophistication should be improved.
2. Monitoring and reporting on progress and problems encountered in implementation of the Agricultural Development portion of Zaire's Five-Year Plan for 1986-90, and developing a public investment program for Zaire's agricultural sector for the period immediately following that covered by the Five-Year Plan.
3. Collaborating with the Chiefs of the Data Collection and Data Processing Offices in the conceptualization, elaboration, collection, processing, and analysis of data collection efforts to be carried out as part of the preparation of the regional studies and monitoring of the Five-Year Plan.
4. Developing annual work plans and budgets for the Office, monitoring progress toward achievement of those work plans, and responding to urgent and specific requests from MOA, SEP and USAID.
5. Providing on-the-job training in agricultural planning to the staff of the Office (with the regional studies, monitoring of the plan, and development of a public investment program serving as the principal vehicles for this training), proposing candidates for participant training, and selecting additional staff as needed.
6. Collaborating with the Agricultural Policy Coordinator, as appropriate, to contribute to policy papers on selected topics and to the annual policy and planning conferences.

In addition, the Agricultural Planning Advisor if qualified will:

7. Serve as a field thesis supervisor for returned participants from the Agricultural Planning Office who are doing Master's theses, advising them on technical content and research methods.

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AGRICULTURAL POLICY AND PLANNING
(660-0119)

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ACTION MEMORANDUM FOR THE MISSION DIRECTOR

DATE: April 17, 1986

TO: Richard L. Podol, Mission Director

FROM: John Bierke, Program Officer

JLB

ACTION: Authorization of Project 660-0119, Agricultural Policy and Planning

Your approval is requested for a grant of \$14,500,000 from the Agriculture, Rural Development and Nutrition (Section 103) appropriation to the Government of Zaire (GOZ) for the Agricultural Policy and Planning Project. It is planned that a total of \$2,600,000 will be obligated in FY 1986.

Discussion:

A. Project Description:

The project consists primarily of assistance to the Studies and Planning Service (SEP) of the GOZ's Ministry of Agriculture (MOA) for the purpose of increasing the institutional capacity of the GOZ to develop and implement coordinated agricultural policies and investment plans. Technical assistance personnel working in SEP and training of SEP's personnel in the U.S. are the main aspects of this assistance, continuing the type of support that USAID has been furnishing to SEP for over ten years through three previous projects. In addition, special efforts have been made in the design of this project to address problems that it is felt have limited the achievements of the previous assistance.

Primary data collection efforts are one area where past project's efforts have not been successful. The functioning and leadership of the statistical office of SEP are felt to have been a problem in this area. Discussions have been held with the MOA on this subject, with the result that basic understandings have been reached concerning improvements that need to be made. These are included below (paragraph 4.b.1) as Conditions Precedent to disbursement of funds in support of the statistical office. Furthermore, the project will support more limited, topical data-collection efforts in order to ensure that resources be adequate to complete such studies and that they result in accurate and relevant information in the areas studied.

The project also includes components that will enhance the impact of the SEP's research on policymaking and investment project planning. Liaison with the Ministry of Plan will be formally established by placing a project-funded Agricultural Policy Analyst in that ministry. This person will be responsible for arranging annual conferences on agricultural development policy and planning. The project also funds a PSC position in USAID/ARD for agricultural policy analysis and liaison.

In addition to these two problems, the Project Paper raises three other important issues that have not entirely been resolved and that will be the subjects of continuing analysis early in the project. These are to ensure that the amount of training furnished is sufficient to make up for staff attrition, to study the cost-effectiveness of doing studies in-house at SEP compared to having SEP contract for and manage studies done by consultants, and to explore ways to ensure that SEP's activities will be financially sustainable, whether through budgetary support or through development of outside sources of revenue.

B. Financial Summary

1. LOP Budgets (\$000s, rounded)

ITEM	A.I.D.	GOZ	TOTAL
a. Technical Assistance			
Salaries	7,200	400	7,600
Housing	1,200	0	1,200
b. Commodities	900	1,500	2,400
c. Construction	0	1,000	1,000
d. Training	2,600	200	2,800
e. Policy Conferences	200	300	500
f. Centrally-Funded TA in Agricultural Policy	330	30	360
g. Evaluations	140	20	160
h. SEP Operations	0	3,800	3,800
i. Inflation and Contingency	1,930	2,750	4,680
Total	14,500	10,000	24,500

2. Obligations (from Section 103)

a. FY 1986	\$2,600,000
b. FY 1987	1,900,000
c. FY 1988 and later	10,000,000

C. Waivers: A source/origin waiver for procurement of 36 off-road motorcycles and parts is included in the Project Paper.

D. Justification to the Congress: This project was not in the FY 1986 Congressional Presentation. A Congressional Notification was cabled to AID/W on March 26, 1986. It is unclear whether the Notification has gone to Congress yet.

Recommendation: That you sign the attached Project Authorization.

Clearances:

Drafter:PRM:JRyan JR

ARD:DBrown DBrown

DEO: H. L. Braddock: B

CONT: R. King: R. King

Attachments: 1. Project Authorization
2. Project Paper

14

PROJECT AUTHORIZATION

Name of Country: Zaire

Name of Project: Agricultural Policy and Planning

Number of Project: 660-0119

1. Pursuant to the Foreign Assistance Act of 1961, as amended, I hereby authorize the Agricultural Policy and Planning Project for the Government of Zaire, involving planned obligations of not to exceed \$14,500,000 in grant funds over a 5-year period from date of authorization, subject to the availability of funds in accordance with the A.I.D./OYB allotment process, to help in financing foreign exchange costs of the project. The planned life of the project is 10 years and 4 months from the date of initial obligation.

2. The project consists of assistance to the Studies and Planning Service of the Government of Zaire's Ministry of Agriculture and to cooperating institutions for the purpose of increasing the institutional capacity of the Government of Zaire to develop and implement coordinated agricultural policies and investment plans.

3. The Project Agreement, which may be negotiated and executed by the officers to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority, shall be subject to the following essential terms and covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate.

4. a. **Source and Origin of Commodities, Nationality of Services**

Commodities financed by A.I.D. under the project shall have their source and origin in the United States except as A.I.D. may otherwise agree in writing. Except for ocean shipping, the suppliers of commodities or services shall have the United States as their place of nationality, except as A.I.D. may otherwise agree in writing.

Ocean shipping financed by A.I.D. under the project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.

b. **Others**

1. Prior to any disbursement, or the issuance of any commitment documents under the Project Agreement to finance support for the Division of Agricultural Statistics, the Government of Zaire shall furnish in form and substance satisfactory to A.I.D. the following information:

(1) The management proposed for the Division of Agricultural Statistics. This must be a person able to give dynamic, full-time leadership to the Division. Necessary qualifications are: a U.S. M.Sc. or equivalent in agricultural economics or statistics with experience in data collection in Zaire, and the demonstrated ability to successfully supervise personnel and manage resources.

(2) Documentation from the office of the General Secretary of the Ministry of Agriculture explaining the role of the Division of Agricultural Statistics and this Division's interaction with other information-gathering agencies, especially the FAO.

(3) Description of the role and work scopes of each office within the Division of Agricultural Statistics and details on the flow of statistical work through the Division.

(4) A listing of financial accounts maintained by the Division of Agricultural Statistics, the names of persons authorized to draw upon those accounts, and the current status of those accounts as based on a financial audit.

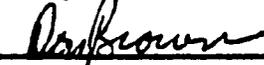
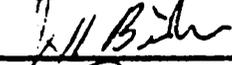
11. The Government of Zaire through the Ministry of Agriculture's Studies and Planning Service shall covenant to research and to document its efforts to enact the following recommendations:

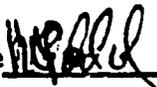
(1) That the Ministry of Agriculture take the lead in trying to determine an appropriate data collection methodology for all donor efforts in the agricultural sector, which will delineate standards in terminology, sampling, confidence intervals by aggregation, and so forth.

(2) That the Studies and Planning Service propose and implement a salary structure that rewards data analysts equally with data collection technicians who receive travel per diem.

111. A Source/Origin Waiver of A.I.D. Geographic Code 000 and Section 636 (1) of the FAA is authorized to permit procurement of 36 off-road motorcycles and spare parts from A.I.D. Geographic Code 935.

Clearances:

ARD:RDaniel 
ARD:DBrown 
DEO:HLBraddock 
PRM:JBierke 
D/DIR:ALezin 

Signature 

Richard L. Podol
Mission Director
USAID/Kinshasa

Date 12 Aug 86

Acronyms

AID		Agency for International Development
APAP		Agriculture Policy Analysis Project
APP	119	Agricultural Policy and Planning Project
ARD		Agriculture and Rural Development Office (USAID)
BAE		Office of Economic Analysis
BD		Office of Compilation and Publication
BI		Office of Data Processing (Computer Center)
BIFAD		Board for International Food and Agricultural Development
BM		Office of Methodology
BPA		Office of Agricultural Planning
BPE		Office of Project Identification, Design and Evaluation
BSC		Office of Current Statistics
CDA		Agricultural Documentation Center
COP		Chief of Party
CP		Condition Precedent
CPF		Counterpart Funds
CPI		Consumer Price Index
DAGP		Agricultural Project Monitoring Directorate
DSA		Division of Agricultural Statistics
DSP		Division of Agricultural Strategy and Planning
FAO		Food and Agriculture Organization
FX		Foreign Exchange
GOZ		Government of Zaire
HBCU		Historically Black College or University
IMF		International Monetary Fund
INS		National Statistics Institute
ISPC		International Statistical Programs Center
LOP		Life of Project
MOA		Ministry of Agriculture
MOT		Ministry of Transportation
OICD		Office of International Cooperation and Development
PACD		Project Assistance Completion Date
PAT		Technical Assistance Project (World Bank)
PID		Project Identification Document
PIL		Project Implementation Letter
Project	052	Agriculture Economic Development
	070	Agricultural Sector Studies
	050	Management Services
PSC		Personal Services Contract
SBS		Southern Band Survey
SEP		Studies and Planning Service
SOW		Statement of Work
TA		Technical Assistance
USAID		United States Agency for International Development

I. PROJECT SUMMARY

The Agricultural Policy and Planning Project (660-0119) is a ten-year effort to continue the development of the institutional capacity of the Government of Zaire to develop and implement coordinated agricultural plans and policies which will help to increase agricultural production and raise the standard of living of the rural population.

The project is essentially an institution building one, with major emphasis given to human resource development, technical assistance and primary data collection. The project will train 35 Zairian technicians at the Master's level. Seven long-term expatriate technical advisors will assist the Ministry of Agriculture's (MOA) Studies and Planning Service (SEP) to increase the analytical capacities and skills needed to perform planning and policy analysis in the Agricultural Sector. Primary data collection will be emphasized through a series of small-scale specific studies or surveys. The project will also strengthen and/or develop mechanisms to coordinate policy and planning between the Ministry of Agriculture and other appropriate Ministries (Plan, Transportation, Public Works, etc.)

It is envisioned that project technical assistance (TA) will be phased out on an office by office basis as trainees return and as future evaluations assess SEP's needs in this area. At present, the TA is scheduled to begin departing in year five, but the Chief of Party and an advisor to the Division of Agricultural Statistics are scheduled to remain in place for the life of the project (LOP).

At the present time the major agricultural policy issue in Zaire is the development of coordinated and rational investment policies among the various sub-components of the sector — transportation, marketing, etc. Recent policy changes have removed most of the major traditional policy constraints. In the near-term, SEP has an important role in monitoring these policy reforms to evaluate their impact and to encourage the government to continue this more liberal policy atmosphere. Over the next three to five years, however, it is envisioned that there will be a continuing need for more sophisticated policy analysis. As SEP's data collection and analytical capability is improved through the project's activities, it should be able to undertake these more demanding analyses of specific policy issues.

The Design Team has considered and analysed numerous methods of achieving the project's purpose and objectives. The design as set forth is considered to be the best possible alternative at present; however, it is recommended that several outstanding issues be monitored, studied and/or evaluated periodically by the project's Task Force and by evaluation teams to determine the most efficacious manner in which to

achieve project objectives as the project environment evolves.⁽¹⁾ These outstanding issues are as follows: 1) assessment and direction of the project's agricultural policy impact potential ; 2) data collection through DSA; 3) attrition and training needs; 4) cost-effectiveness pertaining to certain project objectives; and 5) sustainability of SEP and certain project activities. These issues are discussed in greater detail in section III. G.

Upon completion of the APP Project, the Studies and Planning Service of MOA will have at its core a group of U.S.-trained technicians capable of and experienced in the following: identifying policy constraints and new policy options, formulating new investment and other policy options capable of effectively promoting growth in Zaire's agricultural sector, and identifying and collecting the data required to evaluate these options. In coordination with the Ministry of Plan and other ministries and agencies, SEP will be producing sound sector studies and regional plans, continuing to produce and update regional and commodity reports, and identifying projects and undertaking project evaluations. SEP will also maintain a functioning and comprehensive Agriculture Statistics Data Bank.

In addition, annual conferences on agricultural and transport policy and planning will have been institutionalized. Private companies and donors active in these sectors will be important participants in these conferences, as will all of the GOZ's ministries and agencies involved in agricultural and transport investment policy formulation and planning. Key staff from some of these ministries and agencies will have received long-term training in the U.S.

(1) The Task Force for the project is made up of the USAID Project Officer, the Director of SEP and the contractor Chief of Party. Further details are presented in Section VI.

II. PROJECT RATIONALE

A. Introduction

At the time of Independence in 1960, Zaïre had barely a handful of citizens who had received university level training. This lack of trained manpower along with some seven continuous years of civil strife led to serious overall economic and institutional decay. However, with considerable donor assistance and sustained price increases in primary commodity exports during the early 1970's, Zaïre began to address manpower development and institutional weaknesses in both the public and private sectors.

Nearly thirteen years ago, USAID and the GOZ decided to train in the United States large numbers of Zairians to the masters level in agricultural economics and related fields (Projects 660-0050 and 0052). It was further decided that the returning graduates would be assigned to only one institution, the Studies Service (Service d'Etudes et Planification or SEP) of the MOA.

The current existence within the MOA of a well-established Studies Service with a well-trained professional staff makes the present project feasible. The GOZ has for several years sustained a stable, rational process of institutional change, encouraging professionalism and giving substance to the hope that it may be able to avoid the policy and planning errors of the 1960's and 70's.

Among these institutional changes are the following: 1) A Ministry of Plan was created three years ago. This Ministry has had competent leadership and has grown steadily in overall professional competence. 2) The annual investment budget has become an instrument for carrying out public policy. 3) The policy of economic liberalization (removal of price controls and state monopolies, establishment of a reasonably free payments and trade regime and of a money market, removal of impediments to investment) has been reinforced by a slow but steady devolution of central power towards private interests and regional governments. 4) An indicative Five-Year Development Plan has been published that does not cut against the process of liberalization. Given these changes, USAID feels the time is ripe for the potential strength in the Studies and Planning Service of the MOA to be felt more widely within the GOZ.

B. General Project Rationale

The APP Project is the fourth project intervention proposed by USAID to support the development of SEP into a viable policy analysis and planning unit in the MOA. The previous three projects, conducted from 1973 through the present, have achieved considerable staff training and institutional development and have provided needed technical and commodity support.

With this USAID support (as well as support from other donors -- see Section III F), the Studies and Planning Service was established within the Ministry of Agriculture and Rural Development. Approximately 70 Zairians have been or are being trained in the U.S. at the Master or Ph.D. level, furnishing SEP with a core staff of well-trained agricultural economists. SEP's technicians are regularly consulted by the highest levels of government, and SEP is playing an increasingly important role in agricultural policy development.(2)

While previous assistance to SEP has helped establish basic educational and analytical capacities, much remains to be done to have a viable policy and planning service. The SEP cadre have been able to produce good work on basic commodity and regional reports and planning. However, as explained further in subsequent sections, the work to date has been primarily at the level of descriptive statistics, a capability that did not exist before USAID involvement. The APP Project will provide the resources necessary to increase the capabilities of SEP and the GOZ to do analytical rather than descriptive analysis. The project will also link this analysis more directly to the planning and policy process within the government.

In addition, academic training is not enough to develop mature and competent data and policy analysts. Experience gained through on-the-job training is also required. Considerable on-the-job training (four years of stable TA) has been required under project 070 to achieve the present level of basic analysis and reporting. The lack of stable TA was a major weakness in the predecessor projects to 660-0070. It will require at least five to seven more years of stable TA to have a cadre of self-starting and competent professionals at SEP who can initiate analytical work and follow it through to completion. This continued TA presence with the programmed training and commodity support of the APP project should result in a viable SEP with the sophistication and skills necessary to do the type of analytical reporting required for the GOZ in future policy and planning decisions.

In the last few years, SEP has proved a useful tool for the GOZ and the USAID in instigating policy and program reforms in the agricultural sector in Zaire, and is thus felt to be a worthwhile institution. The previous projects at SEP have provided USAID with considerable access and influence in the area of agricultural policy and planning. USAID and GOZ feel, however, that SEP continues to require major donor assistance to reinforce and extend its capabilities.

(2) For a good historical perspective of USAID support to SEP, the interested reader is directed to the 660-0119 PID Pages 4-7.

In order to optimize the 13-year USAID and GOZ investment in SEP, continued project support is needed in three major areas. First, to function effectively SEP needs to improve its capacity to gather appropriate and accurate agricultural statistics. This has been an objective of all of the predecessor projects to 119. However, for the reasons which are elaborated on in Annexes 10 and 11, this objective has not been accomplished. Basically, data gathering efforts in the past have been overly ambitious not taking into account the enormous management and infrastructure deficiencies in Zaire. Second, the 119 project will provide assistance to the GOZ to ensure that agricultural policy and investment planning in the agricultural, transport, and related sectors are carried out in a rational, coherent, and coordinated manner. Third, planned agricultural interventions need to be analysed, appraised and evaluated in a systematic way. Project 119 will provide the resources needed to institutionalize these services at SEP.

C. Conformity with GOZ Strategy

A draft of Zaire's 1986-90 Five-Year Development Plan includes a brief section listing problems in the formulation of agricultural policy. The Plan characterizes these as among the problems responsible for the decline of agriculture:

Failure to take account of agriculture's needs in the various development programs in the agriculture sector;

Inadequate financial planning of agricultural projects, resulting in starts of too many projects that could not be completed;

Poor choice of agricultural investments that were unable to sustain themselves financially even if completed; and

Lack of sound statistics to define objectives and determine what progress is being made under various interventions.

To address these general areas of concern, the Plan includes an Agricultural Sector Studies Project (the APP Project) as a new project for the 1986-90 period.

The present proposed project thus appears quite consistent with the sector program of the GOZ.

The APP Project will support the process of economic liberalization which is a core element of GOZ economic strategy. The project will upgrade data collection, economic analysis, investment planning, and project evaluation and design. It will modestly expand the scope of USAID assistance to agricultural investment planning, and policy formulation beyond the MOA to the Ministries of Plan, Finance, and Transport.

D. Conformity With USAID Strategy

The proposed project is entirely consistent with the CDSS. A major strategic theme of the USAID program is institution building and human resource development. Two of the Project's principal target institutions are the Ministry of Agriculture's Studies and Planning Service and the Ministry of Plan. The approved CDSS states that "USAID assistance to central government organizations will concentrate on strengthening their capacities for data collection and analysis, policy formulation, planning, establishing priorities, and monitoring activities in their sectors of responsibilities."

In the CDSS, policy dialogue is carried out by USAID at two levels: general support to the stabilization program and, bilateral project development, implementation and evaluation. The APP project will be one of a number of projects to be used to identify sectoral policy problems, in contrast to the production/delivery projects which will carry out approved policy and/or test the efficacy of alternatives.

E. Specific Program Needs and Project Strategy

In recent years the GOZ has made great strides in liberalizing the economy and in strengthening its planning and programming processes. The potential value of the SEP has been commensurately increased. However, several areas of concern have persisted and need to be specifically addressed in the APP Project. These areas are the need for reliable statistics, the need for linkages and forums for exchange of information concerning agricultural policy making, and the need for systematic appraisal and evaluation of sector investments.

1. Need for Reliable Agricultural Statistics.

Reliable agricultural data in Zaire is almost nonexistent. Within SEP, small data collection efforts have been made by the Division of Strategy and Planning (DSP) in support of regional and commodity reports produced under Project 660-0070. On the other hand, SEP's Division of Statistics (DSA), which has the fundamental role of collecting agricultural statistics, has not published any useful data in almost five years. It is crucial to the success of the proposed project and to the eventual viability of SEP that reliable primary data be made available in a timely manner.

DSA's non-performance has three main causes: (1) conflict in donor supported division of labor in DSA, (2) overly ambitious data collection efforts, and (3) poor leadership and management of the DSA. Details of these three problems are presented in Annex 11. The APP Project will address these areas of concern in the following manner:

a. Dysfunctional Donor Supported Division of Labor at DSA

Both the FAO and USAID fund project activities related to data collection in DSA. Up to now, FAO has had primary responsibility in data collection while, USAID (under Project 660-0070) has had responsibility for data processing, analysis and publication. This division of labor has not worked well. Data collection, processing and analysis are integral and interrelated components of one process and not separate entities.

Recently two events occurred which will affect this problem. First, the FAO project has been removed from DSA and attached directly to the General Secretary's Office at the MOA. The FAO project now will concern itself with collection of general countrywide agricultural statistics, leaving the APP Project to assist DSA in specific data collection and analysis efforts related to planning, policy and investment questions in the agricultural sector. Second, formal bi-weekly meetings have been established between FAO, USAID and DSA/SEP to coordinate data collection and analysis efforts in the agriculture sector.

b. Overly Ambitious Data Collection Efforts

The FAO is attempting census-type general agricultural data collection, region by region, throughout Zaire. In the past, USAID has also proposed grandiose schemes of data collection. Unfortunately, over the last five to ten years very little reliable data has resulted from these efforts, chiefly because the methodologies proposed did not adequately take into account Zaire's limited financial resources, limited management and human resource capability, extremely poor to non-existent rural infrastructure, and the vastness of the country, with its highly dispersed farming population and activities. Given these constraints, APP data collection efforts will consist of small-scale sample surveys. Both list frame and area frame sampling methodologies will be considered for implementation of these surveys. A pilot effort called the Southern Band Survey (SBS) which used the list frame methodology has been completed under project 660-0070; initial appraisal of the SBS and its methodology has been positive. The Area Frame sampling approach that was initiated in 1977 under project 660-0052 will be studied, and an attempt made to use it at least in the Regions of Shaba and Bandundu. These efforts will take place during the first year of Project 660-0119.

c. Poor Leadership and Management of the DSA

Leadership and management of the DSA has been a major weakness in previous USAID efforts in data collection at SEP. The APP Project proposes to rehabilitate the DSA, on the condition that management of the Division is improved. Such an improvement is necessary if the rehabilitation of the DSA is to take hold. Historically while many projects and activities are initiated at the DSA, few are seen through to completion.

Several constructive meetings and discussions on this subject have been held recently with the General Secretary of Agriculture. At the Secretary's request, USAID proposed to the MCA several steps for reorganizing the management structure of DSA in the months remaining under the existing Project 660-0070. These recommended steps include a change in the management of the Division, establishment of clearly defined tasks for each of the division's offices, reorganization of administrative and financial procedures and examination of the possibility of reorganizing and streamlining DSA. Conditions precedent to disbursement of funds in support of DSA are based on these recommendations (See Section VIII).(3)

2. Need for Linkages and Forums for Exchange of Information Concerning Agricultural Policy Making.

Having considered the need for reliable agricultural statistics, we now turn to the second area of special concern of the APP Project. SEP's linkages among major public and private institutions making and carrying out agricultural policies are weak. Timely, systematic exchange of nonquantitative information does not occur. This lack of linkage in the agricultural policy area has impeded coordination of agricultural policy efforts. USAID believes it is important to institute a forum for exchange of information among actors in the policy area to establish these necessary linkages.

From the Mobutu Plan through the Plan de Relance Agricole to the current Five Year Development Plan, agricultural policy making in Zaire has been steadily improving. There are many participants in this agricultural policy-making process, including donors, various GOZ Ministries (Agriculture, Plan), the Office of the Presidency, and others. The World Bank and the IMF are particularly influential in promoting major reforms of basic GOZ policy.

SEP has an important role to play in policy formulation. Its staff's expertise is recognized, and as a result SEP is regularly consulted on policy questions by the Ministry of Plan and the Office of the Presidency. For example, SEP was given primary responsibility for drafting sections of the President's 1984 inaugural speech which highlighted the importance of the agriculture sector, and it prepared the agricultural component of the 1986-1990 Five-Year Plan.

USAID's 1985 policy dialogue in the agricultural sector was largely focused on the organization of agricultural research, budgetary allocations to agriculture, and other questions that are essential for achieving the sector goal -- to raise the welfare of the rural population by raising agricultural productivity. The APP Project will enhance USAID's ability to influence policy

(3) For further information concerning USAID's position on the management and structure of DSA, please refer to Annex 10.

formulation in Zaïre, first through USAID's sponsorship of and participation in the annual conferences on agricultural and transport policy and planning, second through the presence of USAID-selected and financed technical advisers who will be working with key GOZ officials, and third through continuing and expanding relationships between the USAID Mission and key GOZ policy makers.

3. Needs for Systematic Appraisal and Evaluation of Agricultural Sector Investments

Reliable agricultural statistics and improved linkages among those making agricultural policy are the first two major concerns of the APP Project. The third major concern is appraisal and evaluation of investments in agriculture. The government-wide process for systematic appraisal and evaluation of major investments in agriculture is quite weak. The system is primarily located in the Ministry of Plan, and centers on appraisal of the GOZ's investment budget. However, once again, the overwhelming lack of information in support of investment planning has frustrated efforts to plan and evaluate sector strategies.

SEP's capability to undertake agricultural planning is recognized in the GOZ; however, this capability is hindered by the very weak intersectoral coordination of planning. One reason for the APP Project is this need to integrate agricultural investment planning and policy making with related sectors — transportation, planning, finance.

In order to serve this function, APP will: 1) conduct 24 evaluations among the 41 existing projects in the agricultural sector; 2) provide data and analytical skills to sector donors to aid their appraisal of future interventions; and 3) establish reliable sector parameters for use in investment planning. In addition, a series of updated and expanded regional and commodity reports will be published with sections proposing possible investment plans and policy options as appropriate.(4)

In summary, results of economic liberalization during the past five years make it possible to foresee a wide-scale revival in Zaïrian agriculture. USAID and the GOZ have committed substantial resources to hasten this growth. The APP Project is important to Zaïre's agricultural recovery, in that it will strengthen critical GOZ capabilities in data collection and appraisal, indicative planning and investment decision making.

(4) Examples of sector parameters to be estimated are: percentage of total population active in agriculture; area planted per farmer and per crop; yields in the traditional sector; inventory of agricultural roads; etc...

III. PROJECT DESCRIPTION

A. Introduction

The APP Project will increase the institutional capacity of the Studies and Planning Service of the Ministry of Agriculture to develop and implement coordinated agricultural policies and plans to aid and guide informed sector investment.

The Studies and Planning Service (SEP) is the main beneficiary of the project. Created in 1973 at the behest of the donor community, SEP is recognized for the analytical and planning skills of its staff, and is beginning to assume the task of agricultural planning in the Ministry of Agriculture. In this vein, a notable recent contribution has been SEP's writing of the Agricultural Development portion of Zaire's Five-Year Plan. The present project aims to develop further SEP's planning and evaluation capacity.

The project will work closely with two of SEP's four divisions: The Agricultural Planning and Strategy Division (DSP) and the Agricultural Statistics Division (DSA).

The DSP has three offices: the Agricultural Planning Office (BPA) which produces regional agricultural sector studies; the Office of Economic Analysis (BAE) which conducts studies on all of the principal agricultural commodities in Zaire; and the Projects Office (BPE) whose role is to identify, design, and evaluate projects.

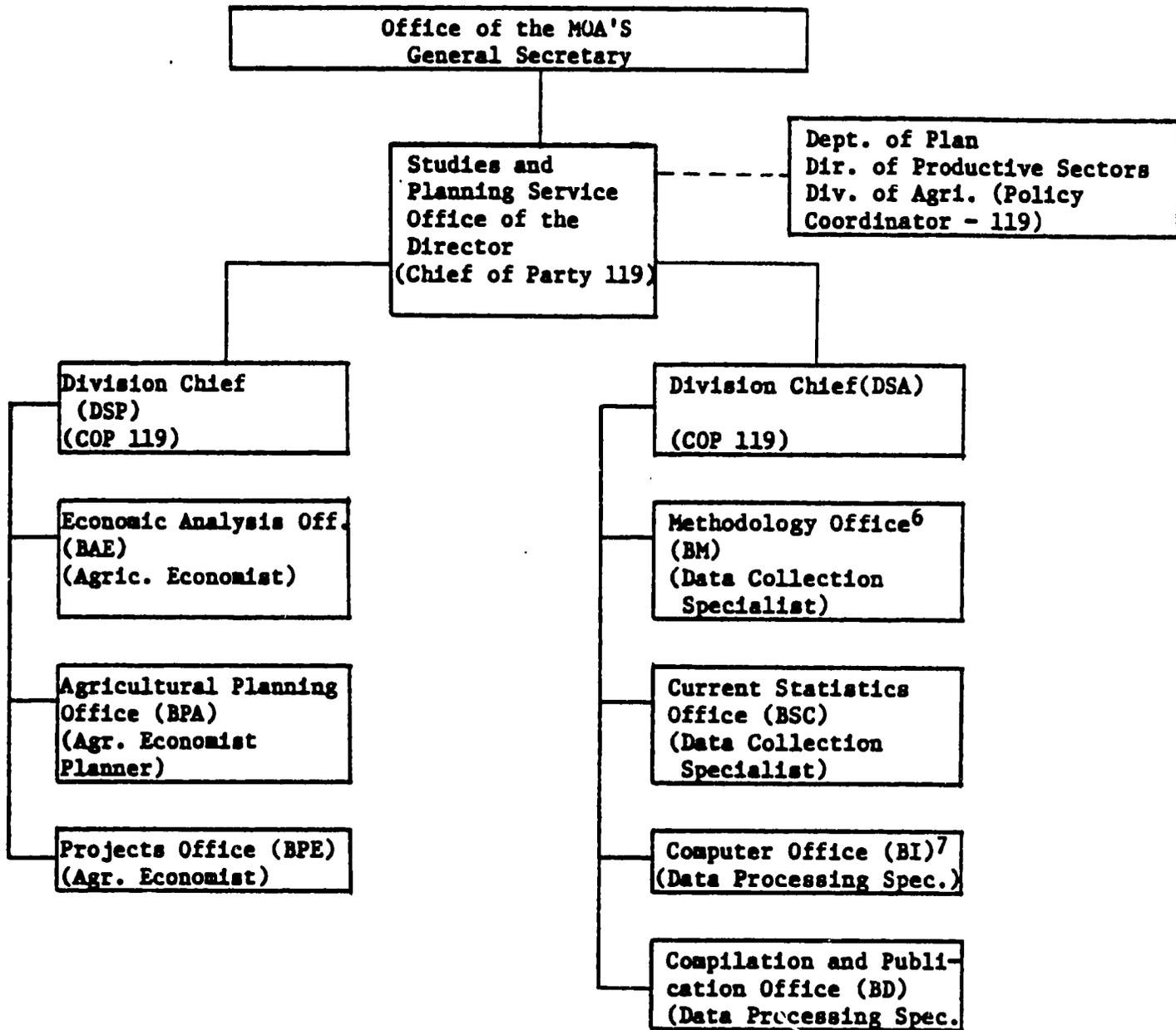
The DSA at present has four offices: the Office of Methodology (BM) which develops survey methods and instruments (sampling schemes, questionnaires, etc.); the Current Statistics Office (BSC) which oversees primary data collection efforts; the Office of Compilation and Publication (BD) which oversees secondary data collection and publication and verifies and analyses data; and the Computer Office (BI) which processes, analyses, and stores data.

B. Project Goal

The goal of the Agricultural Policy and Planning Project is to increase the productivity of the agricultural sector in Zaire. It is assumed that the economic and political stability of recent years will continue and that the GOZ will remain open to SEP's advice on policy questions. In addition, the Project assumes that the improved policies will lead to increased production.

This goal is consistent with GOZ objectives (as stated in the Five-Year Development Plan 1986-1990) of food self-sufficiency, increased production and increased income levels.

**Figure 1 - Organizational Chart⁵
Participating SEP Divisions Under 660-0119**



⁵ A complete Organization Chart of SEP including all TA is found as annex 8.

⁶ The offices of Methodology and Current Statistics will be advised by the same data collection specialist.

⁷ The Data Processing Specialist will also advise two offices at DSA (BI and BD).

C. Project Purpose

The purpose of the project is to increase the institutional capacity of the Government of Zaire to develop and implement coordinated agricultural policies and investment plans. USAID's previous agricultural policy and planning projects (660-0050, 660-0052, 660-0070) have established SEP and developed its capacities to plan agricultural development and to develop policies relating to the agricultural sector. The present project will enhance this capacity, addressing such multi-sectoral issues as the improvement of transport and trading sectors, and coordinating agricultural planning issues with the Ministry of Plan while aiding investors in the sector with reliable data and historical information.(8)

The predecessor projects cited above also attempted to generate sound agricultural data, but without much success. The DSA simply has not been able to provide the DSP economists and planners with the data necessary for their regional and commodity studies. The APP project will work to develop the capacity of the DSA to collect, analyse, and publish data for use by DSP personnel, only if considerable improvement is made in the management of DSA during the remaining months of the Agricultural Sector Studies Project (660-0070, PACD March 1987). USAID has proposed to the Office of the General Secretary (MOA) specific changes in DSA management (Annex 10). These recommendations have been elaborated as Conditions Precedent to assistance to DSA under 660-0119, and a schedule for accomplishing them has been agreed upon by USAID and MOA (Section VIII).

D. Project Activities and Outputs

Funds provided by the project will: 1) train Zairian technicians; 2) institutionalize annual conferences on agricultural policy (with private sector, inter-departmental and donor participation); 3) publish sound regional and commodity reports; 4) write subject papers on specific policies and programs; 5) conduct project evaluations; 6) establish a viable system of data collection; 7) improve and expand the Agricultural Statistics Data Bank; and 8) promote regular consultation between SEP and other GOZ agencies concerning plans, policies, and investments affecting agriculture. Details of these activities and outputs are given below.

(8) Purpose Assumptions can be seen as part of 660-0119's Logical Framework (Annex 1).

1. Human Resource Development

Three general forms of training are planned: (a) post-graduate participant training at U.S. institutions for SEP professional employees, (b) conferences and short courses in Zaire, in the United States, and in third countries, and (c) technical training at the sub-professional level for SEP sub-professional employees.

The success of the project depends ultimately on the quality of the work performed by the Zairian staff of DSP and DSA. Currently there are 23 professionals in DSP; only seven of these have degrees equivalent to a U.S. master's degree. The DSA has 34 professionals, only three of which have the equivalent of a U.S. post-graduate degree. The DSA especially has a great need for specialized training in statistics, biometrics, agricultural economics, and computer science.

In the past SEP has experienced considerable staff attrition. This attrition has fallen from an average of 6 a year three years ago to an average of 3 a year at present. Given the high demand in Zaire for such well qualified technicians in both the public and private sectors, USAID assumes that the present attrition rate will continue in the APP project. While this loss of personnel is unfortunate for the project, it is important to note that the returned participants continue in almost all cases to work in Zaire and that the training received continues to benefit Zaire and USAID program objectives.

The demand for U.S. trained agriculturalists and economists is very high in Zaire. In contrast to some other African francophone countries, US degrees are readily accepted. Enhanced problem solving skills have made these returned participants very attractive to both the private and public sector. This spread effect has been evident as numerous ex-participants are in management and decision making positions in major agricultural entities (private firms, parastatals, plantations, development projects, etc.). Many of the departed trainees are advanced to higher positions in MOA and other ministries such as Plan. Presently, for example, one of the major advisors to the State Commissioner for Agriculture is an ex-participant who is still attached to the Studies Service (SEP). Of the eight Directorate Chiefs in MOA, three are ex-participants trained in the U.S. and who were advanced quickly to decision making positions. These highly placed U.S. trained agricultural technicians and decision makers provide two major benefits to USAID development objectives: 1) it facilitates access of US personnel, both permanent and short term, to senior decision makers in the government, and 2) it facilitates access between and among similarly trained zairian personnel working in a variety of public and private sector activities related to agriculture. Therefore, the loss of participants from past projects can be viewed as supporting the achievement of USAID program and policy objectives rather than attrition. Even if viewed as attrition, the loss of trained manpower has been reduced to a manageable rate.

In recognition of this continual attrition of personnel, the project will train new personnel at a rate intended to adequately staff the two divisions and compensate for the anticipated losses. Future evaluations will look at participant training results and needs.

The project will also attempt to reduce SEP's attrition rate further by instituting the following changes:

- bringing SEP salaries and supplements up to other USAID project levels;
- rationalizing the salary supplement structure through taking into account levels of training, experience, and performance;
- obliging that each participant sign a contract to work for a commensurate time at SEP upon his or her return.

It is expected that the introduction of these measures will bring SEP's premiums into line with those paid at other ministries. While it would clearly be preferable to have salary premiums paid out of the GOZ's Ordinary Budget, thereby building sustainability into the system, this is not envisioned in the mid-term due to GOZ budgetary austerity. The bonuses must be paid if the project is to retain the necessary staff, and counterpart funds (CPF) will be used for this purpose. At the same time, every effort will be made to gradually phase-out CPF support for salary supplements by the end of the project. A phase-out plan will be designed as part of a later project evaluation.

a. Post Graduate Training

To obtain the necessary personnel trained in agricultural economics, planning, and statistics, the project will initially send a total of 35 Zairians for post graduate training in the United States. Thirty of these participants will come from SEP with the balance coming from other Ministries participating in the Project.

The major constraint to high-level training is that the work of SEP must continue while trainees remain out of the country for periods of up to three years. Training, therefore, must be carefully dovetailed with the work plans of each office. Under APP the subject areas for graduate degree training will be diversified. Training needs identified at this time are listed in Annex 6; these can only be indicative.

If a training assignment within SEP were to be canceled because the nominee was needed in country, consideration would be given to awarding the training to a professional outside SEP within MOA, or in one of the other ministries or agencies of the GOZ identified as playing an important role in agricultural policy formulation and planning. Provision would have to be made, in such a case, to permit the advisors under the project to guide trainees in their

course work, and to ensure that theses are prepared on some germane agricultural topic. This could become cumbersome and perhaps unworkable with regard to non-employees of MOA. Such training situations will be taken up on a case-by-case basis.

While SEP has developed in planning, policy, and evaluation, the level of analysis remains descriptive. Hence, quantitative economic and advanced statistical skills need to be developed for SEP to begin to undertake more complex commodity and policy analysis issues. Trainee curricula will be closely monitored by the institutional contractor to ensure that a diversity of specialized economic and statistical skills are developed.

All post graduate university training will be done in thesis-based programs. All necessary field work and thesis preparation will be done in Zaire. The institutional contractor will be responsible for the provision of a qualified thesis advisor in Zaire to support and supervise in-country thesis preparation. If the institutional contractor is a RIFAD institution, thesis advising could be part of the job of the technical assistants.

It should be noted at this point that if DSA cannot meet the required conditions precedent (Section VIII), it will be necessary for Project 660-0119 to increase the numbers of long-term trainees in order to staff whatever alternative collection unit is chosen (INS, DSP, or a central statistics service proposed by the GOZ).

b. Short-Term Training

The project will also provide upper level and especially middle and lower level personnel with short-term training at international institutes, U.S. universities and agencies, and in third country institutes. Training venues and possibilities include:

Professional Cadre Short Courses In-country resources include CEPETEDE (Centre de Perfectionnement Technique de Développement), CENACOF (Centre National pour la Coordination de Formation), and the Ministry of Finance (for general training in automatic data processing techniques). In addition, to the possibilities listed above, the African Development Bank (Abidjan) and numerous institutions in Europe offer possibilities for short-term training. In-country training in statistical and survey methods will be continued. Ten persons per year will be scheduled for short course training.

Non-professional Cadre Training Thirty persons per year will be trained in various areas of computer programming, automatic data processing, word processing and basic secretarial skills. Zairian institutions (PIGLER, INPP) will cover these fields.

c. In-country Training

In country training through workshops (usually 1-2 weeks duration) will focus on training survey enumerators and agricultural project personnel in data collection, monitoring, and evaluation techniques. These workshops will be planned, organized and conducted by DSA and DSP staff, and by long-term consultants as needed. These sessions will focus on survey methods and concepts, field measurement and yield estimation, interviewing techniques, data processing and analysis, project evaluation and monitoring, farming systems research, data collection techniques, and other topics as needed.

2. Annual Conferences

As detailed below, an Agricultural Policy Coordinator will be charged with initiating, programming, and institutionalizing annual conferences with officials of the public entities involved in various aspects of sector policy formulation and sector planning (investment, transport, industry, agricultural research, foreign donors, etc.). This Agricultural Policy Coordinator will be placed in the Agriculture Division of the Ministry of Plan's Directorate of Productive Sectors. He will draw extensively upon the resources provided by A.I.D.'s centrally-funded Agricultural Policy Analysis Project (APAP) (see item I-1, Technical Assistance). The policy coordinator will also prepare issues papers on appropriate sector budgets, plans and programs in an effort to provide USAID with considered investment options and opinions for bilateral sector dialogue.

There are other inter-ministerial entities of coordination within the GOZ (for example the National Commission for Planning, the National Macro Economic Commission). However, for various reasons none of these are suitable for bringing applied research to bear upon specific policy problems. The planned conferences will respond to an expressed need within the GOZ to bring sector investors together for common purposes. They will also incidentally serve to publicize the analytical capabilities of SEP, which are not widely enough known. A further benefit of the conferences will be eliciting demand for and guiding the contents of the research to be performed by SEP.

3. Regional and Commodity Reports

a. Regional reports

One of the major outputs of the project is to produce updated, amplified, and statistically reliable regional agricultural reports for each of Zaire's nine regions. These reports will be prepared twice for each region during the life of the project.

SEP's regional reports are used, at least in a limited way, for the purpose of project identification. But the data must be further developed in order to be more useful for policy formulation and investment planning. At present, projections of food demand are mechanical. Even if appropriate data were available, the regional reports do not take into account the fact that food habits of consumers within the cash economy change as incomes change. There is no evidence of testing whether the projections of output required to meet rural and urban requirements seem plausible and consistent in the aggregate. The regional studies suffer from other shortcomings. The "constraints" are not really quantified (e.g., number of kilometers of roads in various stages of disrepair, tons of fertilizers required to maintain optimal economic levels of yield, etc.). Thus there is no way to judge the relative economic priority of each major constraint in expanding agricultural production, or to estimate the cost of overcoming that constraint.

The above criticisms do not lessen the value of the reports produced under Project 660-0070. Such reports did not exist at all prior to project 070, and those produced to date represent some of the best available information on Zaire's agricultural sector. They do, however, underline the need for further sophistication and applicability in the future. Much can be done to improve them.

b. Commodity reports

The APP Project will provide improved and expanded reporting on specific agricultural commodities. Eight commodity reports (rice, sugar, corn, peanuts, coffee, palm oil, beans, and rubber) have been produced under Project 660-0070. These can use additional analysis, expanded distribution and increased commodity coverage. Under the APP Project these commodity reports will be given a wider distribution so that they can reach the technicians in other services such as Plan and Finance.

The available commodity reports also could be improved to provide reliable estimates of the need or potential impact of additional facilities for preventing spoilage and reducing transport costs, e.g., grain drying, storage and milling facilities. There also needs to be effort directed at delineating production and development strategies for these commodities as well as at clearly addressing any possible policy issues.

4. Specific Subject Papers

At least eight new subject or policy papers will be prepared under the APP Project. Their content, format and timing will depend in great part upon the development of mechanisms for inter-ministerial consultation and policy formulation, including the annual conferences discussed above. By the end of the project it is anticipated that SEP will have the capability to begin treating complex policy issues (such as trade, price liberalization, interest rates on bank loans to agriculture, etc). Attempts will be made to

work with sector donors to appraise investments. Under this project activity, a series of 4 Agricultural Situation Reports will be produced during the LOP which will follow the basic design developed under the Agricultural Sector Studies Project.

5. Project Evaluations

There are presently some 41 agricultural development projects in Zaire for which MOA is responsible. These projects are nominally monitored by the Directorate of Project Monitoring (DAGP); but, the amount of actual contact and monitoring is very sparse. This directorate however does not have capability for evaluating these interventions with regard to design, implementation and/or assessment of achievement. The Office of Project Design and Evaluation (BPE) of SEP has collaborated with DAGP to carry out some of these activities, and it is anticipated that this collaboration will continue under APP. During Project 070, BPE was neglected as it had no direct advisor. The COP for the Team was programmed to function as advisor to BPE but his project management responsibilities precluded his carrying out this task.

The task of BPE and its advisor will be to identify by priority the projects to be evaluated. Twenty-four projects will be evaluated over the LOP. The appropriate evaluation methodology will vary and evolve as needed.

6. Statistical Surveys

Agricultural policy and planning and sector investment appraisal require reliable agricultural data. The project will undertake periodic surveys to collect primary data needed for planning and policy purposes. The surveys will be relatively small scale. Data from these surveys will be used to develop estimates of sector parameters which will greatly aid efforts to analyze sector investments. By the end of the project, reliable data will be available on several of the following topics:

- Area planted by crop (total and per agricultural worker)
- Yields
- Average farm size (population)
- Farmer profiles
- Faragate prices
- Consumption habits
- Crop calendars
- Levels of technology
- Farming systems
- Labor hours
- Agricultural inputs
- Net returns.

Initially, small-scale surveys of short duration (rapid reconnaissance approach) will be undertaken to develop a general idea of the farming system in a given region or sub-region and to

determine logistical needs. Later, small-scale regional baseline surveys can be undertaken. As determined by the data needs of the DSP, surveys will be undertaken on specific commodities and several specific sector subjects. The Methodology and Current Statistics Offices in DSA will be responsible for assisting the DSP in the conception and management of surveys. Surveys conducted in preparation of these also will be coordinated to assist in supplying sector information needs.

This insistence on relatively small-scale data collection (as opposed to a nation-wide agricultural census, for example) does not preclude the project's participation in regional surveys such as those proposed by the FAO Project. Discussions are presently underway between the FAO and USAID to investigate means of collaborating on data collection activities. Means of implementing a reporting system and potential areas of collaboration will be discussed during planned bi-weekly meetings between USAID, FAO and SEP. The eventual ability to conduct regional and national surveys or censuses should be a long-term result (but not a short-term objective) of the GOZ's efforts to develop a data-gathering capacity.

7. Improved and Expanded Agricultural Data Bank

A lot of secondary data concerning agriculture exists, although it is of varying quality. Little initiative has been shown on the part of the DSA to collect, store, or publish this data. Secondary data collection will be undertaken by the Office of Current Statistics (BSC).

The APP Project will conduct a survey and evaluate the existing secondary data available on agriculture from other donors, sector projects, Zairian companies and institutions. Decisions must be made on which data should be included in the data bank and/or published.

The Offices of DSA will collaborate closely to publish relevant data (such as price information from the Directorate of Prices, Marketing, and Credit, or information on transport and marketing of agricultural products in periodic bulletins).

In this effort, BSC should collaborate with the Agricultural Documentation Center (CDA) in the MOA, which has a collection of secondary data concerning the agricultural sector.

There are presently more than 40 agricultural projects nominally monitored by the MOA's Project Monitoring Directorate (DAGP). This Directorate also should prove to be a source of useful secondary agricultural statistics. Data should be collected from project monitoring and evaluation offices.

8. Linkages Between SEP and the Ministry of Plan

A major departure of the APP Project from its predecessors is its intention to establish a more direct and effective linkage between the data collection and analysis capability of SEP and the planning and policy activities of the Ministry of Plan. At present, SEP already plays a role in the planning area through the use by Plan and other ministries of its regional and commodity reports. The Director of SEP also has direct links to his counterpart in Plan (the Director of the Productive Sectors Directorate), established during the development of the agricultural section of the Five-Year Plan and through discussion of other matters effecting the agricultural sector. The APP Project plans to formalize and help in institutionalizing these SEP/Ministry of Plan linkages through the placement in the Ministry of Plan of one member of the 119 TA team (the Agricultural Policy Coordinator). This position will, as noted earlier, coordinate and manage policy/planning conferences; but more important, it will help develop the needed linkages between SEP and the other Ministries and offices in the GOZ related to agricultural policy and investment planning. Issues raised at the policy/planning conferences as well as through these linkages will guide SEP in developing its data collection and analysis program.

E. Project Inputs

USAID inputs fall into the following three categories: technical assistance, training, and commodities. GOZ inputs will include support staff, training, commodities, construction, and operating costs. The total USAID contribution over the ten-year life of project is \$14.5 million. This includes an annual inflation factor and a contingency factor. Total GOZ contribution is estimated at \$10 million equivalent.

1. USAID Project Inputs

a. Technical Assistance

The U.S contractor to be selected must be able to provide the required trained and experienced personnel, both short-term and long-term. In addition, the contractor will provide logistical support to its personnel. The contractor should have extensive experience in institutional development in African countries and be able to draw on its own in-house personnel to supply specific short-term expertise. The advisors offered to SEP must be experienced in data collection and analysis, quantitative economic analysis (computer literate), policy formulation, agricultural sector planing, and project preparation and evaluation within the context of a third-world country. All should be FSI tested in French and have a rating of at least S-3, R-3.

Some of the technical advisors will serve jointly the DSP and the DSA, while others will advise one or more offices within these divisions. They will take an active role in the development of work plans and budgets for the unit or units to which they are assigned. The advisors will be especially crucial early in the project when their counterparts will be in the U.S. for graduate training. Members of the team will have had considerable previous experience in third-world countries with methods of developing a data collection system which can support economic and policy analysis, regional investment planning and project preparation and evaluation.

The Chief of Party, an agricultural economist with considerable experience in primary data collection, will have overall responsibility (with the SEP Director) for the coordination and management of the activities of the technical assistance team. He will serve as an advisor to the Director of SEP, to the Division Chiefs of DSP and DSA, and to the Policy Coordinator. He/she will designate one or more of the expatriate advisors to supervise long-term degree training participants on course selection and thesis preparation (for advisor SOWs see Annex 7).

DSP, the project will provide three technical advisors to DSP:

- An Agricultural Economist will be assigned to the Office of Economic Analysis; he will specialize in agricultural marketing and price policy.

- An Agricultural Economist will be assigned to the Office of Agricultural Planning; he will specialize in resource and sector planning.

- An additional advisor will be assigned to the Office of Project Identification, Design, and Evaluation. He will have extensive knowledge of all aspects of the project cycle (identification, design, implementation, evaluation), and will do extensive on-the-job training in project evaluation.

DSA, the project will provide two technical advisors to DSA:

- An Agricultural Economist/Statistician will be assigned to oversee both the Methodology and Current Statistics Offices. This individual, experienced in conducting primary survey research in francophone Africa, will assist DSA technicians in developing the survey instruments and sampling techniques for various surveys. He will work closely with the DSP Advisors and technicians in designing and managing surveys to collect data needed by the DSP for investment planning.

The Agricultural Economist/Statistician will also oversee the survey and collection of documents from secondary sources working with the Agricultural Documentation Center and with the Computer Center to inventory and index documents and to identify which data will enter the Agricultural Statistics Data Bank.

- A Data Analyst will assist the Computer Office (BI) and the Office of Compilation and Publication (BD) to develop strong statistical skills for data analysis, and will train computer center staff in programming techniques and the use of the computer systems. The Data Analyst will work closely with the BD on the establishment of the Agricultural Statistics Data Bank, and with the Methodology and Current Statistics Offices to ensure that survey instruments are appropriately designed for computer analysis (see Administrative Analysis section VII. C., below).

The team will also include an agricultural economist serving in the position of Agricultural Policy Coordinator. Working in the Ministry of Plan but under the supervision of the Chief of Party, this individual will support the project with policy analysis and promote the coordination of agricultural sector planning with appropriate agencies of the GOZ. He will identify the key actors from both the public and private sectors who participate in agricultural and transport policy and planning. He will help initiate, program and institutionalize annual conferences involving these actors. He will help his counterpart serve as the primary liaison between SEP and these conferences, ensuring that SEP meets the conferences' needs for data, analyses and reports.

As a major resource in preparing these conferences and enriching their content, the project will benefit from up to seven person-months of effort by AID's centrally-funded Agricultural Policy Analysis Project (APAP) (936-4084), which has already provided specialized services to Project 070.

The Agricultural Sector Studies Project used the services of APAP to analyse the problems with donor intervention in agricultural statistics in Zaire, to assess the reports produced under project 660-0070, and to solicit the services of a sector policy analyst. These efforts were very useful in the design of the present project. However, the impact of APAP assistance under Project 070 was limited by lack of funding which limited follow-up.

Under Project 119, APAP services will be provided over a three year period to assist USAID and SEP/GOZ to identify remaining sector policy constraints, to program study of the constraints that have the possibility of change and impact on the sector, to evaluate the proposed project design, to evaluate the statistical collection systems proposed or available, and to help USAID engage the GOZ in sector dialogue. The expertise to accomplish these tasks is available through APAP.

USAID project input also provides for the services of a policy analyst under a personal services contract (PSC). This Agricultural Policy Analyst will assist USAID and the Project Officer in areas of policy analysis and bilateral dialogue. He/she will spend approximately 70 percent of his/her time at USAID/ARD and the remainder at SEP and Plan.

An administrative officer will be provided for by the TA contractor for three to four years in order to facilitate logistical arrangements for the TA team. This individual will computerize voucher and reporting systems to satisfy USAID requirements, contract for TA housing and maintenance, and function as a resource concerning A.I.D. regulations and procedures.

Short-term technical assistance to the SEP will also be made available as required. Short-term assistance may be needed in, for example,

- Installation of a new computer system
- Development of sampling schemes
- Economic and statistical model-building
- Investment appraisal
- Project design.

b. Training

Elements of the training plan are described in Section III.D.I above and in Annex 6. In sum, they consist of 35 long-term participant trainees at U.S. academic institutions; short-term training, at international institutes and training centers and U.S. universities and institutes; and seminars, workshops and conferences to be conducted in Zaire. A substantial part of the training will be "on-the-job training" provided by long-term technical assistance staff and experienced Zairian staff.

c. Commodities

The major commodities to be ordered by USAID will be office equipment, TA staff appliances and furniture, and computer equipment:

Computer equipment will include:

- 20 microcomputers
- 10 printers
- 4 plotters
- 30 software packages
- miscellaneous computer supplies (paper, printer ribbons, etc.).

In addition, the project will provide necessary equipment to support data collection surveys. This will include:

- 36 motorcycles
- Compasses
- Pails, raincoats, boots, shovels
- Camping gear
- Paper
- Photocopy machine - mimeo machine
- Miscellaneous material and equipment.

The numerous other items to be purchased under the project are presented as part of Annex 4.

2. GOZ Project Inputs

a. Personnel

Under project 070, the expatriate administrative assistant to the Chief of Party and SEP Director hired and trained a Zairian to assume that position. The person trained will continue in that role throughout project 119. Because the DSP and DSA divisions are physically separated at present and have two differing personnel systems, the project will place a second administrative assistant to the chief of party and the division chief of the DSA.

Since some of the correspondence and project reporting will need to be in English, there will be a need for a bilingual editorial assistant/ translator. It is expected that the advisors to the project will draft reports in French; however, in most cases such texts would benefit from the services of a skilled technical editor. An English teacher will be required to initiate intensive English training for the participant trainees.

These personnel costs will all be paid by the GOZ from counterpart funds (CPF) generations.

b. Training

The GOZ will provide 35 qualified trainees and maintain them on salary while they undergo training, including an additional family allowance of at least Z 2,000/month while married trainees are absent from their posts in Kinshasa. The GOZ will also meet the entire local currency costs of in-country training, also from CPF.

c. Commodities

The GOZ will acquire locally over the LOP a specified number of vehicles (14 four wheel drive vehicles, 4 buses and 11 compact cars) and office equipment as required (see Annex 4).

d. Construction

Each of the SEP Divisions is in a different building. They are not within walking distance from each other and telephone communications are unreliable (at present the DSA has no telephone). The present situation is not conducive to a collaborative relationship between the DSP and DSA. The GOZ will therefore provide a building site in a timely manner and provide the equivalent of \$1,000,000 in local currency so as to permit initiation in 1989 of the construction or rehabilitation of a building to house all four divisions of SEP.

e. Operating costs

Operating costs to be met by the GOZ include all local staff salaries, paid from the GOZ's Ordinary Budget, and SEP expenditures (such as medical benefits, per diem, vehicle maintenance, per diem for short-term and long-term expatriate advisors, all in-country data collection costs such as enumerator salaries, per diem, and training costs) paid from CPF.

F. Other Donor Support to SEP

The Technical Assistance Project (PAT) to the Ministry of Agriculture funded by the World Bank Group through IDA, ended in 1985. This project provided long-term and short-term consultancy services, training of MOA staff in-country and overseas, and logistical support in the form of vehicles, equipment and materials. A similar project, to begin in 1986 for three years duration, is under consideration by the Bank Group. The new project would be implemented in part by SEP and in part by other administrative units in the MOA. Two long-term advisors are also being provided to SEP by Belgian bilateral aid. Presently, the Belgian advisors are responsible for advising SEP in the areas of agribusiness and planning. The Project 119 TA will continue to collaborate with these two donor interventions.

The United Nations Food and Agriculture Organization (FAO) is funding a three-year nationwide project to install a national system of agricultural data collection. Pilot operations have started in Bandundu. Due to the inability of the Government of Zaire to supply operating costs as planned, this project is experiencing major problems which, unless resolved, will impair the quality of the data collected. The Project was authorized in February 1985 for a total LOP funding of \$3,852,200 (\$1,852,000 provided by FAO). With this level of funding, the FAO proposes to install a permanent national system of data collection and reporting by creating regional offices of the DSA to accomplish large scale data assimilation. The operational objectives of the FAO Project ZAI/84/008 are as follows: 1) establish a national commission for agricultural statistics; 2) establish terminology standards for agricultural statistics; 3) listing of statistical needs by geographic area and frequency; 4) establishing regional offices of DSA; 5) training of data collection agents; 6) establish a functioning permanent system of data collection in each region; and 7) publishing of annual statistics reports and specific reports. These objectives will be realized using the following resources: one principal technical advisor (expatriate); one liaison person; eight UN volunteers; 10 person/months of short-term expatriate technical assistance, 30 person/months of national technical assistance; training in-country and short-term international training; office equipment and furniture for nine offices; 18 4 x 4 wheel drive vehicles; 10 motor boats; and 80 motorcyclettes. Presently, the project is about nine months behind schedule according to the implementation plan of February, 1985.

The Agricultural Sector Studies Project is endeavoring to collaborate with the FAO to assist them in implementation of their pilot surveys in Bandundu. While differences remain in methodology, MOA has need of both the O70 and FAO systems of data collection. These efforts should be seen as parallel and complimentary. They are not detrimentally competing for SEP resources. The FAO is establishing a regionally based permanent reporting system which will require limited DSA staff time primarily in terms of training of extension agents and providing more data processing services. The O70 and 119 projects are establishing a centrally based subject specific sample survey system which will require considerable DSA staff time and less data processing capacity.

To address the differences in methodologies espoused by the above mentioned donors, SEP has decided to critically assess the methods and results of both interventions in July, 1986 in an effort to delineate common standards in data collection methodology for Zaire.

G. Outstanding Design Issues

During the design process for Project 660-0119, numerous issues were raised and analysed. The design as proposed is felt to be effective in accomplishing the project purpose; however, in achievement of certain project objectives, USAID has identified a number of areas that will require continued monitoring, assessment and/or study as the project evolves. These issues are presented in the following section.

1. Policy Impact. It is recommended that early in project implementation a study be conducted to look at remaining agricultural policy constraints and how Project 660-0119 can address the policies identified. APAP assistance will be used for this purpose. After the study has identified policy areas for analysis, APAP and USAID will program efforts to analyse the issues. These analyses will be used in bilateral policy dialogue and/or as discussion points in future policy/planning conferences.

2. Data Collection through DSA. The Statistics Division has performed very poorly to date. However, it remains the preferred vehicle for statistical operations in the MOA. If, even given successful compliance with stated CP's, the DSA still cannot provide the data collection needs of the project, alternative means will be required. An external evaluation has been programmed after year one of the project in order to critically assess the performance and potential of DSA. The project's task force will continually monitor transition and performance at DSA. Some possible alternatives to DSA are INS, IRES, the Presidential Study Service (SPE), and/or a data collection unit in DSP. The Division of Strategy and Planning has been in a position before where it had to collect primary data in support of programmed reports. If required, data collection through DSP could be the first step in a transition plan from DSA to some other organization.

3. Training and attrition. The attrition rate for SEP technicians has been lowered over the LOP for Project 660-0070 from six per year during the first seven years to about three per year during the last two years. The reasons behind this reduction in attrition are better management of SEP, stable TA, better salaries and fringe benefits, and increased job satisfaction. At present, there are 10 M.Sc. or equivalent technicians at DSP and DSA. This is considered to be 10 short of fully staffed. A staff of twenty trained technicians should be adequate to allow DSP and DSA to accomplish programmed project and MOA activities. Twenty technicians would allow for trained personnel at the Division Chief level for both divisions, the Office and Assistant Office Chief levels for all seven concerned offices, and four trained technicians to be attached to the analytical offices as appropriate. It will require the 30 planned participants from SEP to reach and maintain an adequate staffing level over the LOP.

The project's Task Force will monitor the trends in attrition and participant training to ensure that project and SEP staffing requirements are met. Project 660-0070 is in the process of evaluating the impact of participant training under Project 660-0052. This report should prove very valuable in understanding the attrition issue and highlighting key indicators to successful training and retention. Training will be scrutinized as part of the project evaluations in years three, five and seven.

4. Cost - effectiveness. The design process surveyed several alternative methods for achieving project objectives. These alternatives were considered and analysed as well as possible given present gaps in information. Several of these alternatives, however, should be kept in mind and studied and/or evaluated at a later date. They are as follows: the possibility of using a series of short-term expatriate consultancies to produce the needed surveys and reports; the use of a small core of technicians at SEP who can contract with local consulting firms to carry-out the needed studies; and the cost-effectiveness of the general design in effecting policy impact given present mix of long and short-term TA.

The feasibility of these alternatives will need to be monitored by the project's Task Force and evaluated and/or studied as the economic and technical environment in Zaire changes.

5. Sustainability. While it is fairly certain that the Studies and Planning Service will continue to exist after the PACD for 660-0119, it is not certain that the MOA will be able to sustain the level of effort obtained under the proposed project. To respond to this sustainability concern, the design has considered numerous avenues. At present, the following possibilities are deemed worthy of further consideration and/or study: a) a semi-autonomous or autonomous SEP with the capability of supplying technical services to the GOZ, international donors, and/or private companies; b) a SEP sufficiently supported by the GOZ so as to retain the necessary expertise and cover necessary operating costs; c) a greatly reduced SEP staff that would be a channel and backstop for facilitating externally funded studies for the GOZ, donors, and private

sector; and/or d) a SEP constituted from a combination of the above options. Whatever option is pursued, the critical factors will be SEP's ability to maintain established salary and fringe benefit levels as well as operational funding levels. The funding support will vary depending on the level of effort the GOZ deems necessary for SEP after the PACD.

In order to see a sustainable Studies Service at MOA by the PACD, the GOZ/MOA will have to begin in year seven to give SEP larger budget allocations to compensate for reductions in CPF support. Project resources will be sufficient to increase the needed analytical, data collection and reporting abilities of SEP personnel, but retaining this personnel will be directly linked to the GOZ's ability and willingness to financially support a specified level of effort at SEP. It will be the job of the project's Task Force to study, monitor, and report on the GOZ budgetary support to SEP, especially in the last five years of Project 660-0119. The evolution of SEP's analytical and reporting capabilities over the life of Project 070 is very evident in the increased quality of the first drafts of reports that are being submitted by SEP staff. Given the level of effort proposed, this evolution should continue to such a point where Zairian technicians are initiating, conceptualizing, analyzing and reporting on SEP activities without constant expatriate encouragement and guidance. This evolution is certainly attainable under 660-0119, however, sustaining this process will be a function of the MOA's demand and commitment for such services.

IV. COST ESTIMATES AND FINANCIAL PLAN

A. Cost estimates

Project costs have been estimated based on information gathered from different sources and experience with USAID-funded projects in Zaire, especially project 070.

Methods used to arrive at estimates of major line items are described in the following paragraphs.

1. Technical Assistance. A basic contractor support rate of \$140,000 per person/year was used. This was based on actual average costs of \$164,000 per person year for long-term advisors under project 070 from December 1984 to December 1985 reduced by \$24,000 a year for housing that is a separate line item in the budget.

2. Commodities. The estimates used here to establish aggregate budget figures were based on experience and general guidelines from Project 660-0070 and USAID's Management Office.

3. Construction: Construction activities will be accomplished using local materials and local currency, with some A and E supervisory support from REDSO/WCA. There are numerous private firms in Kinshasa capable of handling the proposed construction from design to finishing. The \$1,000,000 estimate is based on the actual costs of constructing an office annex to SEP under project 070. The price for this annex was 17,663 Zaires per square meter. Using this estimate, a building to house all of SEP (2,180m²) is estimated to cost about \$700,000, with \$300,000, reserved for design and contingency.

4. Training: Short-term training is based on \$10,000 per person per short course for four participants a year. This is high but represents the probability that most short courses will be taken through the USDA/OICD training programs in the U.S.

5. Materials and Technical Expertise: The dollar funds targeted for Policy Conferences will be used for materials and technical expertise. During the first three years, the majority of funds will be for materials not readily available locally. Dollar funds will be used in later conferences for key speakers as well as for materials. Speakers for the first conferences will be provided by the centrally-funded APAP project.

6. APAP funds: These funds will be used for APAP TA, as programmed in the Budget Summary, Table 1.

7. Evaluations: Estimates for costs of evaluations by person/months are based on 070 experience in FY 85-86. The initial evaluation will be conducted using expertise from APAP, with the remaining four evaluations programmed under this line item.

8. Other Costs: These line items are based on actual SEP budgets for 1985 and 1986 and present costs for USAID contractor housing. Survey costs are based on 070 experience.

9. Inflation and contingency: These costs are treated separately for foreign exchange and local currency. For foreign exchange costs an inflation figure of three percent was used, based on the average inflation rate (as measured by the Consumer Price Index or CPI) for the United States over the last 10 years. Whereas the 10 year average annual CPI increase was a little more than six percent, the average increase for the last four years is four percent. The design team is assuming that the general inflation rate will continue to decline gradually. This assumption taken with heavy front-end expenditures led to a three percent inflation rate. The same was done for local currency expenditures. The inflation factor was modified due to the evident downward trend in Kinshasa's CPI during the last four years. The actual average annual CPI increase for Kinshasa over the last nine years has been 56 percent. For purposes of projecting an inflation factor for the next 10 years, the project design team decided on 30 percent over the LOP, reflecting the recent inflation rate and a low 14 percent increase in the CPI for 1984. Contingency funds were basically used to round up to the next highest million dollar figure.

B. Budget summary

The total cost of this project is estimated to be \$24,500,000 of which USAID will provide \$14,500,000 and the GOZ will provide \$10,000,000 from CPF. This does not include the additional, in-kind contribution of a building site for the proposed SEP building.

Table 1. Summary Cost Estimate
(\$000)
FY 86 - FY 96

ITEM	USAID	GOZ ¹	TOTAL
A. Technical Assistance			
1. Long-term			
a. Institutional Contractor- 7 TAS (45 person years)	6,300	0	6,300
b. Personal Services Contractors			
Policy Analyst (48 mo. x \$10,000)	480	100	580
1 Administrative Assistant ² (60 mo. x \$2,500)	150	75	225
1 Admin. Officer ² (48 mo. x \$3,500)	168	135	303
2. Short-term	<u>100</u>	<u>100</u>	<u>200</u>
Total Technical Assistance	7,198	410	7,608

B. Commodities

1. Vehicles (14 4x4, 4 buses, 11 compacts, 36 motorcycles)	90	637	727
2. Data Processing Equipment	250	0	250
3. TA Furniture & Appliances	400	200	600
4. Office Equipment and Furniture	0	200	200
5. Books, Supplies, and Documentation	100	100	200
6. Survey equipment and material			
	<u>100</u>	<u>320</u>	<u>420</u>
Total Commodities	940	1,457	2,397

C. Construction

1. New or renovated SEP building	<u>0</u>	<u>1,000</u>	<u>1,000</u>
Total Construction	0	1,000	1,000

D. Training

1. Long-term			
a. existing participants-070 (6 x 9 mo.x 2008)	110	0	110
b. proposed participants (35 x 30 mos x 2,008))	2,108	0	2,108
2. Short-term	<u>400</u>	<u>200</u>	<u>600</u>
Total Training	2,618	200	2,818

E. Policy Conferences

200	300	500
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F. Technical Assistance Provided Under the centrally-funded Agriculture Policy Analysis Project (936-4084)

1. Salaries	55	0	55
Sector Analyst			
3/pm x \$9,750			
Resource Planner			
1/pm x \$6,500			
Statistics Specialist			
2/pm x \$6,500			
Project Coordinator			
1/pm x \$5,980			

F. APAP (cont'd)			
2. Per diem ³ (7 pm x 26 days x \$135)	0	25	25
3. Travel (13 trips x \$2,500)	33	0	33
4. Overhead (275.7% of 1 + 2 + 3)	243	-	243
Total APAP	<u>331</u>	<u>25</u>	<u>356</u>
G. Project Evaluations (\$20,000 x 8 pm)	140	20	160
H. Other Costs			
1. TA Housing (2,000 x 12 mo. x 49)	1,176	0	1,176
2. SEP			
a. salary supplements and operating costs, vehicle maintenance, travel, etc	0	2,600	2,600
b. survey costs - salaries, travel, per diem and training	0	1,000	1,000
c. other		200	200
Total Other Costs	<u>1,176</u>	<u>3,800</u>	<u>4,976</u>
Sub-Total	<u>12,603</u>	<u>7,212</u>	<u>19,815</u>
I. Inflation and Contingency	1,897	2,788	4,685
Total Estimated Costs	<u>14,500</u>	<u>10,000</u>	<u>24,500</u>

1. GOZ expenses were converted to dollars equivalent using an exchange rate of 55 Zaires to one dollar.

2. The administrative personnel will be hired locally and part of their salaries and benefits will be paid by GOZ in local currency.

3. All in-country per diem will be paid in zaires in accordance with USAID Directive 1006 dated 12/14/84.

C. Financial planning

1. PID concerns

Given Zaire's continuing compliance with the requirements of recent IMF standby programs (1983 and 1985), the GOZ's ability to finance operating costs within all Ministries and development projects has been and will continue to be very limited. Many donor projects have experienced considerable delays due to the lack of agreed-upon local currency support from the GOZ. To avoid such implementation problems, program-generated local currency counterpart funds (CPF) will be used to support some recurrent costs of the Studies and Planning Service during the majority of APPP's LOP. The Project Task Force (see Monitoring Plan, Section VI) will monitor the macroeconomic and budgetary situations and develop a plan for phasing out the CPF contributions to the operation of SEP. It is expected that as the demand for its services increases, SEP will be able to command larger budgets from the GOZ/MOA, and possibly eventually receive contracts from donors and private agribusiness firms for specific services.

This latter idea is based on a proposal discussed at length with government officials. While there are in Zaire several quasi-governmental groups that sell services to help support their operations (IRES, INS, CENACOF, etc.), these groups, unlike SEP, do not have a direct mandate from the GOZ to respond to governmental needs for information and analysis. The proposal for a semi-autonomous contracting method for SEP analytical services called for SEP technicians to be made available for separate or joint contracting with other sector donors, parastatals and/or private firms to do research and reporting on various sector issues. The funds generated by such contracts would be channeled through SEP and not handled directly by technicians. However, the GOZ believes that such an arrangement would in fact detract from the technicians' ability to respond to the growing information needs of the MOA and USAID, and that technicians might become more responsive to externally-funded activities at the expense of responding to MOA needs and APP project requirements. In addition, SEP does not presently have the contract management capacity that would be required to successfully manage and coordinate a large and diversified portfolio. Thus, while not a possibility at present, this contracting idea may become more feasible in later years of the project as SEP's competence and staffing are enhanced.

Because the APPP is an institution-building project, and because the major participant (SEP of MOA) is a government institution not receiving financial inflows or quantifiable impact from direct policy interventions, sales of publications and/or use of analytical services, a financial outflow/inflow analysis does not make sense for this project. However, the financial planning for Project 660-0119 did consider the USAID program impacts and the macrolevel economic impacts of Project 660-0070 in establishing the worth or non-financial value of the proposed project.

On a program level, the Agricultural Sector Studies Project was a success and a source of considerable influence for the USAID Mission. During 070's LOP, US.-trained technicians and project technical advisors were instrumental in the research, analysis and reporting required to restructure the coffee parastatal (OZACAF) to allow more private sector participation at all levels. With Project 070 assistance, SEP prepared much of the text for President Mobutu's 1984 inaugural speech, which emphasized a major policy shift in support of the Agricultural sector. In addition, SEP was charged with primary responsibility for the agricultural section of the 1986-1990 Five-Year Development Plan. Considerable SEP staff time was needed to prepare briefing papers used by the U.S. Presidential Agricultural Task Force in 1985. As these examples show, project 070 has provided a sound foundation on which the APP Project can build, and use SEP's reputation and influence to communicate and effect program and policy changes to benefit the Zairian population.

It is assumed that providing reliable information in the areas mentioned throughout the Project Paper (policy papers, reports etc.), bringing the private sector into the planning process (conferences), and performing program and investment analyses (OZACAF review) will measurably increase private sector activity in agriculture resulting in positive financial impact on the economy from the project.

2. Financial Issues and Tables

a. GOZ Ordinary Budget and CPF support

Project financial needs and flows have been projected over the LOP. Tables two and three show financial flows by fiscal year and CPF budget requirements.

Concerning sustained GOZ support including CPF to SEP and Project 119, the appropriate and needed numbers to make the chart recommended in the Financial Analysis Section of the 119 PID are not available; however, an attempt has been made to address the issues raised. Reliable figures on Ordinary Budget support to SEP are not available; therefore, the design team addressed GOZ support to MOA as well as CPF support to SEP over the LOP.

The total GOZ Ordinary Budgetary allocations to the whole Ministry of Agriculture in recent years were:

	(,000Z)
1980	- 55,170
1981	- 109,650
1982	- 167,710
1983	- 153,674
1984*	- 143,965
(estimate) 1985	- 172,000.

* It should also be noted that due to the 1983 devaluation one zaire in 1984 was worth considerably less than one zaire in 1983.

Given SEP's counterpart-funded budget for 1985 (21 million Zaires), the Agricultural Sector Studies Project alone would have required 12 percent of the total MOA budget for 1985 had it been financed from GOZ's Ordinary Budget. It is impossible to imagine that in the near term SEP will be solely or principally financed by the GOZ's Ordinary Budget given the MOA's budget levels from 1982 to 1985 and knowing that the MOA has responsibility for a least eight other services and 40 other development projects, all in need of local currency support. Compared to other MOA services, the SEP is receiving its share of the Ordinary Budget; but, it is not even sufficient at times to provide personnel salaries.

Concerning future availability of U.S.-generated counterpart funds, it is assumed that adequate levels of CPFs will be made available to SEP during the APPP's LOP given the high priority and profile in the CDSS and ABS to policy dialogue and SEP's influence in this area. 070's CPF budget for 1986 is approximately five percent of the total USAID CPF allotment to agricultural projects.

It is hoped that the GOZ will by the mid 1990's be able to support the MOA sufficiently to cover SEP's operating and recurrent costs. However, at present it is not sensible to postulate that direct GOZ budgetary support to SEP will be adequate to continue all the programs and publications to be initiated under 660-0119. It is possible, with consistent CPF support over the LOP, that SEP will become an agricultural sector information service able to sell its expertise to paying customers (other donors and private concerns) in order to supplement GOZ-allocated operating funds. These assumptions and possibilities will need to be monitored and researched by the project's Task Force and by project evaluation teams in 1991 and 1993.

b. Financial Tables

Table 2. Projected Expenditures by Fiscal Year (\$000)

<u>Fiscal Year</u>	<u>AID</u>	<u>GOZ*</u>	<u>Total</u>
86 (partial)	445	400	845
87	1,971	954	2,925
88	2,021	918	2,939
89	1,734	954	2,688
90	1,968	1,362	3,330
91	1,708	1,520	3,228
92	950	812	1,762
93	1,005	854	1,859
94	1,056	902	1,958
95	1,010	974	1,984
96 (partial)	632	350	982
<u>Total</u>	<u>14,500</u>	<u>10,000</u>	<u>24,500</u>

* These projections do not consider GOZ Ordinary Budget or Investment Budget contributions to the project (these came to only 350,000 Zaires in 1985 for the predecessor project, 660-0070).

**Table 3. Projected CPF Budget Requirements
(Calendar Years, \$000)*
(55 Zaires = 1\$)**

Year	SEP			Total
	Surveys	Operating Budget	Construction	
1987	100	490		590
1988	100	400		500
1989	153	580		733
1980	153	490	500	1143
1991	153	580	500	1233
1992	153	390		543
1993	153	500		653
1994	153	380		533
1995	153	600		700
1996	100	484		584
Sub-total	<u>1,318</u>	<u>4,894</u>	<u>1,000</u>	<u>7,212</u>
Inflation and Contingency	518	1,896	382	2,788
Total	<u>1,828</u>	<u>6,790</u>	<u>1,382</u>	<u>10,000</u>

* In 1986 SEP's approved counterpart-funded operating budget is the equivalent of \$494,000, which is about five percent of the overall CPF allotment to USAID's agriculture projects.

IV. IMPLEMENTATION PLAN

The Studies and Planning Service in the MOA will serve as the primary implementing agency for the project, with additional participation by other Ministries of the GOZ whose activities affect agricultural development, notably the Ministries of Plan and of Transport and of Communications. SEP was established in 1973 with assistance from AID and other bilateral and multilateral donors. The service now has a cadre of trained statisticians and agricultural economists who, with the assistance of expatriate advisors funded principally through previous and ongoing A.I.D. projects, have produced a number of reports dealing with agricultural economics, commodity production and marketing, regional planning, and policy formulation. The GOZ provides the Zairian professional and support staff for SEP. Local currency counterpart funds are used to pay supplemental benefits and defray some of SEP's operational costs. It is assumed that these arrangements will continue throughout most of the project's LOP, with phase-out of CPF support to begin in the last two years. It is very hard at this time to envision a total phase-out of counterpart fund support; however if the Zairian economy and the GOZ's agricultural budget continue to grow, a phase-out plan by PACD will be possible. (See Section IV.C.1.).

The project will fund a direct A.I.D contract for technical assistance (TA) to be provided by a private consulting firm or a U.S. university or consortium of universities. The contractor will furnish seven professional long-term resident technicians, an administrative officer, and a number of short-term consultants as required. The consultants will work directly with SEP and the other Ministries involved in the project.

The project will provide long-term participant training in order to insure that the professional level of the SEP staff and others involved in the agricultural policy area will be adequate. Short-term training also will be used to upgrade the skills of existing professional and non-professional staff. Training will be supervised jointly, with USAID handling financial arrangements, and the GOZ and Contractor handling selection, monitoring and thesis preparation.

A. Grantee Implementing Agency

The Studies and Planning Service (SEP) in the Ministry of Agriculture and Rural Development will serve as the project management entity with primary implementation responsibility for the Agricultural Policy and Planning Project. The SEP will implement the project through two of its four Divisions: Strategy and Planning (DSP) and Agricultural Statistics (DSA). The Director of SEP will manage both the technical and administrative details of the project. The project requires close collaboration between DSP and DSA, and with other divisions of SEP, as well as coordination with other MOA Directorates (Direction de l'Administration Générale des Projets; Direction Marchés, Prix et Crédit Campagne), as well as other Ministries (Transport, Plan, Finance).

B. Technical Assistance Contractor

USAID will contract for a long-term technical assistance (TA) team of seven technical advisors to assist in project implementation. One long-term PSC for an agricultural policy analyst position will also be funded by the project.

The COP, an agricultural economist, will work with the SEP Director on all aspects of project implementation, both technical and administrative. He will also serve as advisor to SEP division chiefs (DSA and DSP), and will coordinate the project's work with the Ministries of Plan and Transport.

Three contract technicians will be assigned specifically to DSP, and will serve as advisors to that division's three offices: the Agricultural Planning Office (BPA), the Office of Agricultural Economic Analysis (BAE), and the Projects Office (BPE).

Two contract technicians will be assigned specifically to the DSA. An economist/data collection specialist will be assigned to advise the Offices of Methodology (BM) and Current Statistics (BSC); and an economist/data processor will advise the Computer Office (BI) and the Compilation and Publications Office (BD). (For more details concerning the technical assistance positions see the Project Description, and Annex 7 - SOWs for Technical Advisors).

One contract technician will be assigned to the Agriculture Division in the Ministry of Plan's Directorate of Productive Sectors. He will work directly with the Division Chief for Agriculture and will have access to the Directorate's Chief.

Participant training constitutes an important part of the project; 35 Zairians will be trained at the Master's (M.Sc.) level at U.S. universities, in addition to participants sent to short-term training programs in the U.S. and in third countries. The GOZ and the Contractor will be jointly responsible for the timely nomination of qualified trainees, pre-study preparations, university placement, and thesis preparations. The TA Contractor will provide training coordination and supervise placement of the students at universities. If a university or consortium is selected as the contractor, one or several of the technical advisors will be designated as thesis supervisors; if not, the project may need to be amended following the 1987 evaluation in order to provide a thesis supervisor.

The TA contractor will also be the procurement agent for both locally-purchased and U.S.-ordered commodities, and will be responsible for all technical services, consultancies, and training activities proposed under the project.

Gray Amendment

When selecting a contractor, consideration will be given first to contractors who can provide the necessary expertise and institutional support to establish and sustain agricultural policy formulation and planning. The second mid-term evaluation of Project 660-0070 conducted in September 1985 cited as a major criticism the lack of an institutional relationship between SEP and the 8a firm implementing the project. The 8a firm also had considerable difficulty fielding a full technical assistance team. Therefore, highest consideration will be given to BIFAD institutions or consortium bids which provide for participation by an 8a contractor and/or Historically Black Colleges and Universities (HBCU). HBCU's may also be used to provide some of the needed long-term participant training.

C. USAID Project Management

The Agricultural and Rural Development (ARD) office of USAID/Kinshasa will provide a full-time project officer who will be responsible for assuring that the TA contractor and SEP provide timely and accurate project implementation including budgeting, work plans, financial and contract actions reporting requirements, and obtaining necessary clearances and approvals from USAID. The project officer will represent USAID/Kinshasa in project matters with SEP and MOA and serve as a primary contact point for the Director of SEP and the Contractor Chief of Party.

D. Disbursement of Funds

USAID will disburse funds for local procurement and operating costs in accordance with established USAID and GOZ procedures for budgeting, requesting, and accounting for CPF. Payment for the TA Contractor, the trainees' overseas maintenance, and some of the overseas procurement costs will be paid directly by USAID. Specific financial procedures will be enunciated in project implementation letters (PIL's) following the signing of the project agreement.

Conditions precedents to disbursement of funds in support of the DSA are set forth in Section VIII.

E. Implementation arrangements.

Table 4. Illustrative List of Implementation Tasks

<u>Function</u>	<u>Task</u>	<u>Responsibility</u>	
		<u>GOZ/Contractor</u>	<u>USAID</u>
<u>Project Management</u>			
	— Planning and Scheduling* (including office workshops)	X	
	— Organizing, Recruiting and Assigning GOZ Project Staff	X	
	— Supervising and Evaluating Project Staff	X	
	— Supervising Contractors	X	X
	— Donor Coordination	X	X
	— Conference Coordination	X	X
	— Providing documentation to satisfy Conditions Precedent	X	
	— Reviewing and accepting documentation relating to satisfaction of CPs		X
	— Supervising PSC Analyst/Coordinator	X	X
	— Supervising and Conducting All Project Survey Work	X	
	— Composing and Publishing All Project Publications and Reports (see Table 2, page 35)	X	
<u>Training</u>			
	-- Trainee Selection	X	X
	— Pre-Stateside Preparation of Trainees (intensive English, economics courses, and TOEFL)	X	
	— Financial Arrangements		X
	— Logistical Arrangements (including Trainee's University Placement in U.S.)	X	X
	— Coursework and Progress Monitoring	X	
	— Supervising Thesis Coordination, Preparation, and Publishing	X	
	— Trainee Placement at SEP	X	

*This action provides the reader with general and activity-specific information. Detailed project implementation timing appears in Annex 8.

Financial Management

- | | | |
|--|---|---|
| -- Elaborating detailed, time-phased financial plans, including GOZ Ordinary and Investments Budget reporting | X | |
| -- Maintaining and Reporting on SEP Accounting System and Accounts (including integration of DSA in existing systems and procedures) | X | |
| -- Decision making on disbursements of project funds, both FX and CPF | X | X |
| -- Making direct disbursements, opening Letters of Commitment or making reimbursements on project expenditures | | X |
| -- Certifying Invoices | X | X |
| -- Maintaining A.I.D.'s Accounts | | X |

Contracting

(Direct A.I.D. Contracting)

- | | | |
|---|---|---|
| -- Agreeing on scope of services (service contracts) and specifications (commodity procurement) | X | X |
| -- Contracting for services (all necessary documentation) | | X |
| -- Procuring or arranging for procurement of commodities (documentation, logistics, expediting) | X | X |
| -- Administering contracts | | X |

(Country Contracting)

- | | | |
|---|---|---|
| -- Agreement on SOWs and Specifications | X | X |
| -- Arranging for advertising of proposed procurement | X | X |
| -- Contracting for services (including Construction Activities) | X | X |
| -- Purchasing Commodities | X | |

Reporting

- | | | |
|---|---|---|
| -- Preparing reports required by A.I.D. and GOZ | X | |
| -- Reviewing reports from IA Contractor | X | X |
| -- Reviewing GOZ reports | | X |
| -- Determination of Report Areas and | | |

Priorities	X	X
-- Preparation, Editing, Approval and Publication of All Planned Reports, Theses, and Publications	X	

1. Division of Agricultural Strategy and Planning (DSP)

Outputs from this division over the life of the project are listed in the project description, Section III.D. While training activities have been projected at a steady rate throughout the life of project, the actual number of trainees each year will depend upon the availability of candidates with suitable academic backgrounds as well as on the degree to which they can be spared from current SEP work. With a high retention rate of strongly motivated professional staff, the need for short refresher courses might tend to increase over time. Non-professional training rates, on the other hand, should decrease over time if the staff retention rate is high.

The annual conferences (see section III.D) will require professional input from the Division, such as seminar presentations on completed research or the preparation of conference documents and conference reports. This work must be programmed into the work plans of the offices comprising DSP.

The regional and commodity reports to be published by the DSP would benefit from dovetailing activities with statistical surveys to be performed by DSA. The choice of which reports to prepare or update will depend, in addition to the timing of statistical surveys, upon the urgency of policy problems or project possibilities with regard to each region or commodity. This could result in some peaking of the work loads of both the Office of Agricultural Planning (which prepares regional reports) and the Office of Economic Analysis (which prepares commodity reports). Some personnel should be functionally detailed from one to the other in response to fluctuating work loads.

Policy paper subjects and content are impossible to program throughout the ten-year life of the project -- what is urgent today may be overtaken by events or displaced by some issue even more urgent. Papers will be developed as information priorities arise and in connection with conference themes.

The annual conferences will provide some guidance on subject matter and timing of policy papers; so will other official contacts, especially if appropriate coordinating mechanisms are established. Any of the three offices within DSP might initiate a policy paper, although it could require input on its planning and development from elsewhere, even from outside the MOA (see Table 5, page 44 for Chronology of Activity Implementation).

Finally, project evaluations (and project preparation) will require some pressure from donor agencies through technical assistance and other leverage before being properly performed within BPE. Responsibility for these tasks is loosely defined and staff are inadequately trained and inexperienced in this area. It is expected, therefore, that this component of project outputs will be delayed until the second year of project implementation.

2. Division of Agricultural Statistics (DSA)

In year one, the technical assistance team will arrive and establish procedures and workplans. Workplans will be submitted once a year and monitored by the Project Task Force (see Section VI, Monitoring Plan below). Survey materials, equipment, and computer supplies will be ordered, and two Zairian technicians will be sent to the United States for Master's training.

DSA technicians will identify data needs through discussion with the DSP, and orientation trips to the regions to be studied will be undertaken to familiarize staff with local conditions. Rapid reconnaissance surveys will be undertaken as appropriate to give a better understanding of the farming systems and logistical constraints in each of these areas.

In years two through ten, surveys (at least one per year) will be conducted. These will follow a basic format, although timing, duration and substance may change depending on the survey area, subject, and nature:

- 1 - 2 months: identify data needs (DSP)
- 1 month : design questionnaire and sample
- 1 - 2 months: recruit/train enumerators
- 1 month: pre-test questionnaire and modify as necessary
- 1 month: logistical arrangements made
- 1 - 3 months: survey operations
(may be programmed over 2 or more phases)
- 1 - 2 months: Data analysis
- 1 - 2 months: Publish survey results.

The exact number or type of surveys to be conducted by SEP under 660-0119 cannot be determined now since survey needs and requirements will evolve over the life of the project. However, surveys will follow the general format described above and have a duration of between eight to 15 months.

In addition to these surveys, the DSA will conduct and document a major survey on the existence and quality of secondary data in the agriculture sector. These data will be evaluated by the Data Bank Committee and fed into the DSA's Agricultural Statistics Data Bank Files by priority.

**Table 5. IMPLEMENTATION PLAN
Planned Activities by Year (660-0119)**

ACTIVITY	YEAR									
	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
Commodity Reports*	1	2	2	2	3	3	1	2	2	2
Regional Studies*	1	1	2	2	2	1	1	2	2	2
Reports on Five-Year Plan*		X		X	X					
Public Investment Program			X	X			X		X	
Project Evaluations	1	2	3	3	3	3	3	2	2	2
Project Proposals/Papers*			X	2			2		2	
Policy Papers*		X	X	X	X	X	X	X	X	X
Situation Reports		X		X		X		X		X
Policy Conferences		X	X	X	X	X	X	X	X	X
Agricultural Statistics										
Data Bank*	X	X	X	X	X	X	X	X	X	X
Data Collection Handbook		X		X		X		X		X
Annual Work Plans and										
CPF Budgets	X	X	X	X	X	X	X	X	X	X
Computer Literacy Training	X	X	X	X	X	X	X	X	X	X
Participants Depart for										
U.S.	X	X		X		X		X		
Departure of 070										
Thesis Advisor	X									
Project 119 Evaluations	X		X		X		X			X
Procure computers, and										
equipment	X			X			X			
Procure Vehicles	X		X		X		X		X	
Construct-new SEP bldg.				X	X					
Surveys *	X	X	X	X	X	X	X	X	X	X

* All necessary primary and secondary data needs will be supplied through joint DSA and DSP surveys and research as planned.

VI. MONITORING PLAN

The project monitoring plan consists of two elements: the USAID programmed quarterly project implementation reviews and a joint GOZ-USAID project task force.

USAID will continue to use the existing system of quarterly project implementation meetings to ensure that project activities and resources are being focused to bring about desired outputs and results. At these meetings, USAID will address all pertinent project implementation issues as they arise. These quarterly meetings will be complemented as needed by meetings with appropriate USAID and GOZ staff.

A project task force will be set up, consisting of the SEP Director or his representative, the TA contractor COP, and the USAID Project Officer. The potential role of a representative to this task force from other concerned Ministries (such as Plan) will also be considered during project implementation. The task force will meet every second month to critically review implementation progress, focusing on achievement and non-achievement of stated objectives and the reasons therefor (problems, delays, etc.). The role of the task force is to identify and draw the attention of USAID and SEP/GOZ officials to major implementation problems.

VII. PROJECT ANALYSIS

A. Technical Analysis

Major project elements are technical assistance, training, commodities, and survey organization/methodology. Alternative methods of providing these elements will be discussed here and the reasoning for technical decisions given. These elements are also discussed in the Economic Analysis (Section VII.B.) and in appropriate annexes.

Technical Assistance. The APP Project technical assistance could be provided in two basic ways: 1) through use of short-term subject-or study-specific assistance over a ten-year period; or 2) through use of long-term advisors. Given the experience of project 070 and more general AID experience with institution building projects, a combination of short-and long-term TA was planned. The major portion of the TA (\$8 million) is to be used for long-term TA positions, with approximately \$531,000 in short-term consultancies of varying type and duration. While a system of strictly short-term consultants to do specific studies might accomplish many of the outputs planned for 119 (surveys, reports, conferences), this method would not result in an institution capable of continuing such work. At the same time, use of only short-term consultants would not be sustainable by the GOZ after the APP's PACD. The studies or surveys eventually would have to be updated and/or completed by further studies to deal with a changing agricultural and macroeconomic situation in Zaire. These additional studies, if performed by short-term, "imported" experts, would require expenditures of foreign exchange, of which the MOA has little. The method decided upon has a much higher probability of institutionalizing in SEP the capacities to address continuing information needs. It is not envisioned that SEP will be able to maintain post-project the same level of effort it attains under the APP. However, the expertise and basic material support will be in place and functioning within SEP, which will be capable of providing these studies to the extent that funding is provided by the GOZ and other information users.

Training. Project 660-0119 will provide considerable long- and short-term training to SEP technicians. Given the unavailability of adequate Zairian post-graduate academic training in agricultural economics or statistics, and the enormous costs which would be associated with creating an accredited academic capacity, it is clear that long-term training will take place in the United States. Short-term training will be provided as needed and where available (U.S., in-country, or in third countries). A combination of courses have been programmed to be held in-country through third-country institutions and USDA/OICD short-courses.

Commodities. It is estimated that 60 percent of all project commodities can be procured locally using CPF. Increased local availability of such commodities also has enhanced maintenance and repair facilities in a number of crucial areas (vehicles, office equipment, and

building maintenance). Foreign exchange will be used to buy data processing equipment, U.S. standard furniture and appliances for long-term TA, and specialized survey materials and equipment.

Survey Organization and Methodology. Given the vastness of Zaire and its many logistical constraints, the most recent efforts of the two major donors in agricultural statistics have accomplished very different results using their two different collection methods. The FAO Project (ZAI/84/008) has disbursed about one million dollars and unknown amounts of zaires and has not yet produced a single report. The project 070 SBS has spent the equivalent of \$55,000 in CPF (zaires) and has received approximately 240 questionnaires and produced a draft preliminary report. Knowing the unsatisfactory results of past efforts to collect large quantities of data or to establish a permanent system of data collection, it was determined that small scale surveys managed from a central office with good expatriate supervision is the most technically sound and economical method of data collection in Zaire at this time. (Also see section II, above, and Annexes 11 and 12).

The surveys will be conducted jointly by the technicians from DSP and DSA and will eventually use a team of 16 enumerators. Surveys will be small in scale; the small sample will greatly reduce measurement error, because good quality data from a small sample is preferable to large quantities of unreliable and therefore useless data. Well trained, closely supervised enumerators will further reduce measurement error (See annex 11 for further methodological reasonings).

During the initial project surveys, SEP analysts and technicians (assisted by TA personnel) will conduct all phases of the survey, including planning and field work. This will provide practical experience to orient and educate these technicians, enabling them to conceive, design, plan, and conduct realistic studies and surveys in Zaire. The technicians who were involved in the SBS all reported numerous and extreme difficulties when they tried to obtain valid primary data. These reports of difficulties were all accompanied by statements of how useful and educational this exercise has been for them.

As mentioned above, a team of 16 enumerators will be recruited to undertake periodic surveys. The team will be supervised by DSP and DSA technicians. During surveys it will be necessary for at least two technicians from DSA/DSP to remain in the survey area to supervise survey activities on a daily basis, reinforced by periodic visits from Kinshasa staff.

Survey materials and equipment (motorcycles, camping equipment, programmable calculators) will be transported to regional survey sites by project vehicles and removed at each survey's end.

The figures below depict survey organization first by personnel placement and then by a survey flow chart.

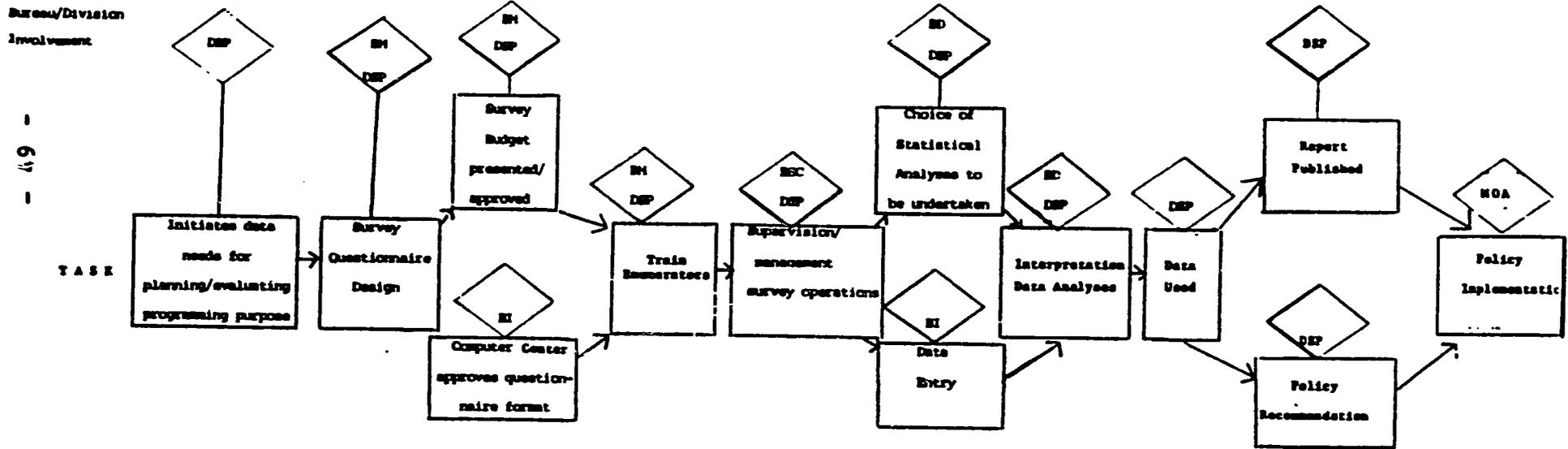
Figure 2
Proposed Placement of Survey Personnel

<u>Personnel</u>	<u>Placement</u>
<u>DSA/DSP Survey Manager Making Periodic Visits to Surveys Sites</u>	<u>Kinshasa</u>
<u>Two DSA/DSP Field Supervisors Daily Supervision</u>	<u>Region/ Subregion</u>
<u>16 Enumerators</u>	<u>Village/ Collectivity</u>

FIGURE 5.

Survey Flow Chart

A schematic Representation of Proposed Model of Data Collection



DSE : Division de Strategie et Planification Agricole

BM : Bureau de Methodologie

SEC : Bureau des Statistiques Courantes

SD : Bureau de Depouillement et Publication

SI : Bureau Informatique

DSE

B. Economic Analysis

1. Costs and Benefits

a. Project Inputs and Costs

The estimated \$24.5 million budget for the project covers the costs of the principal project inputs: technical assistance, participant training, and commodities. In addition to the explicit costs represented by the budget there are also implicit costs associated with certain project inputs to be utilized, e.g., office space. That is, the opportunity cost of the office space used to house the project (i.e., the rental value of the buildings housing SEP) might be regarded as an additional cost of the project. It should be noted, however, that including these implicit costs as part of the overall cost of the project is tantamount to assuming that there would be no SEP in the absence of the project. Since this does not appear to be a very plausible assumption, the budget figure of \$24.5 million may be regarded as a good estimate of overall project costs.

b. Project outputs and benefits

As noted in the 119 PID, "Most ... of the planned outputs of this institution-building project have no obvious market value." Enumeration of the principal project outputs and the related outcomes makes this abundantly clear. There will be two broad types of project outputs: trained technicians (via both formal academic and informal on-the-job training) and improved information on the agricultural sector (via a series of reports, policy papers, and conferences). Each of these types of output should contribute both directly and indirectly to real economic benefits (i.e., increases in productivity and real income). The principal prospective outcomes in this regard are better policies, plans, and programs in the agricultural sector, more effective and efficient agricultural projects, and improved private sector growth.

Participant training plus the on-the-job training acquired in collaboration with the technical assistance personnel will significantly enhance the human resource capabilities of SEP. Enhanced capability should be translated into improved planning and more sophisticated input by SEP into government program and policy formulation. At the same time, the improved information base that will result from the project's data-collection efforts, commodity and regional reports and policy papers should yield more informed policy-making and more effective and realistic plans and programs.

Trained technicians and improved information also should contribute directly to improved performance on the part of publicly-funded agricultural development projects. The APP project will produce a group of technicians with skills and experience in project identification, design, and evaluation work. The enhanced capacity in these fields, coupled with the improved information on the agricultural sector, should

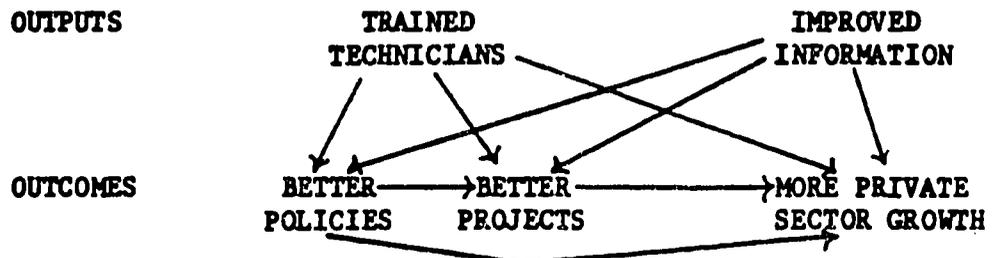
result in better investment planning and performance, and thereby serve to increase the rate of return realized on agricultural projects. In addition, amelioration of the policy environment has also been identified (by the World Bank and A.I.D., among others) as a key factor in improved performance by agricultural development projects.

In addition to the outcomes involving the public sector, there are also likely to be significant beneficial effects of the project in the private sector. The principal direct effect on private sector growth will stem from the improved information on the agriculture sector: more informed private sector decision-making should result in better investment decisions, and availability of better information should reduce risk and thereby stimulate more private investment and ultimately growth. Creation of a pool of trained technicians will also contribute somewhat to private sector growth, since some technicians will undoubtedly leave SEP to more attractive work in the private sector. While such turnover is not desired as far as SEP is concerned, it should be recognized that such turnover does not negate the benefits of training. Finally, private sector growth will also be stimulated by the project indirectly via an improved policy environment and more efficient projects (resulting in stronger effective demand for goods and services from the private sector).

The various direct and indirect effects of the project's principal outputs are represented in Figure 4. The benefits resulting from the project, therefore, are those associated with the outcomes in the figure. Depending on the broad physical and policy setting in which the project will take place, these benefits could conceivably be extremely large or (in adverse conditions) rather small.

Figure 4.

Project 660-0119 Outputs
and Outcomes



c. A Note on Cost-Benefit Analysis

While the nature of the prospective effects and outcomes of the project is fairly easy to identify, it must be acknowledged that there is simply no way of measuring the magnitude of the potential benefits. In the absence of any means of measuring the value of the project's benefits, it is not possible to conduct a cost-benefit analysis of the project as a whole. It is interesting to note, however, that if improved agricultural policies, more efficient agricultural projects, and more rapid private sector growth resulting from the project combined to yield a permanent increase in Zaire's per-capita income of 10 cents by the end of the project (1996) then this would imply an internal rate of return in excess of 10 percent (see Annex 9 for the calculations behind this statement).

There is one component of the project that is amenable (relatively speaking) to a cost-benefit analysis: participant training. To calculate the internal rate of return on Master's-level training, one might try to use private-sector salaries for individuals with training in agronomy and/or agricultural economics, with and without Master's degrees. Unfortunately, good data on these salaries are not readily available, especially for individuals without Master's training. Even for individuals with such training it is difficult to estimate a representative private-sector salary: those trained technicians who have left the SEP during the past year and a half have left for salaries starting as low as \$300 per month and ranging up through \$600-700 all the way to \$1500 per month.

A cost-benefit evaluation of the project's participant training that was done in conjunction with preparation of the PID (which assumed a 25 thousand zaire salary for Master's trained people versus a 10 thousand Zaire salary for those without such training, an average duration of 30 months in training at a cost of 2,000 dollars per month, and a 30-year working life) found an internal rate of return of 7 percent. However, a sensitivity analysis revealed that the estimated rate of return (or net present value at given discount rates) was quite sensitive to the assumptions made. One could quibble about the assumptions (e.g., the 25 thousand figure for trained technicians may be too low in light of the actual experience that has taken place); but more fundamentally, the preceding discussion in this economic analysis suggests that a cost-benefit analysis based on private-sector market values would not be complete. That is, as indicated in Figure 4, there are likely to be important benefits from training in the form of improved policies and performance in the public sector. Given the "public good" nature of these benefits, they will have no marketable value and hence not be reflected in the private sector salaries offered to trained technicians. To the extent that such benefits are in fact realized, a cost-benefit analysis based on private salaries will understate the overall net economic benefits of the project's investment in training. For this reason, then, in addition to the shortcomings of available data, we have not carried out a formal cost-benefit analysis of the participant training component of the project.

2. Cost effectiveness

a. Introduction

As noted in A.I.D Handbook 3, Appendix 3E, in the presence of a project where benefits are largely nonmeasurable, economic analysis can be used to compare cost streams of alternative project designs. Such a cost-effectiveness analysis seeks to determine whether minimum resources are being proposed to achieve the project's stated purposes. The project purpose is to increase the institutional capacity of the Government of Zaïre to develop and implement coordinated agricultural policies and investment plans. It should be noted that this statement of purpose, by emphasizing the institution-building nature of the project, already delimits the scope of alternative project designs. For example, suppose that the the project purpose was to generate the outcomes identified in Fig. 4, page 51. In this situation, recourse to private consulting firms for short-term expertise to carry out specific policy papers and project designs would almost undoubtedly be more cost effective than long-term technical assistance to SEP to produce better policies and projects. However, no institutional capacity to generate these outcomes would be created. As time and changing conditions dictated, revised policies and projects, including additional consulting expenditures, would always be required. In contrast, while creation of the desired institutional capacity is likely to be a more expensive means of attaining the desired outcomes in the short to medium run, it can yield clear long-run benefits.

Underlying a cost-effectiveness analysis is the notion that there are alternative "technologies" available to achieve the project purpose. These technologies are assumed to be equally effective (technically) at bringing about the desired result, but different in terms of their cost. In the present context, at least as regards the overall project purpose, it is not clear that this assumption is a viable one. That is, the broad technology proposed here — formal academic training coupled with extensive on-the-job training acquired via collaborative work with technical assistance personnel — is seen as a superior technology for increasing the GOZ's institutional capacity for formulating and implementing agricultural policies and planning. As a consequence of A.I.D.'s previous investments under predecessor projects, it is true that implementation of this technology will be much more cost-effective at SEP than elsewhere within the GOZ, since many start-up costs (both direct and indirect) will not be incurred.

In the absence of an alternative (overall) technology for achieving the project purpose, the cost-effectiveness analysis will focus on the cost-effectiveness of the key elements of the chosen technology. The discussion will concentrate on three areas: academic training, technical assistance, and data collection. In each case, we begin with the premise that the activity is desirable, and we then attempt to identify the existence of and (if appropriate) the relative cost of alternative means of accomplishing the activity in question.

appropriate training and experience was not provided to DSA, primarily because of its internal management problems, and this shortcoming contributed to 070's inability to find a solution to the data-collection problem.

As noted in the PID (p.12), "The objectives of the Agricultural Policy and Planning Project cannot be met without reliable and relevant data to use in analyses leading to policy formulation and investment planning... The project cannot succeed if the required basic data cannot be produced." 070's experience suggests that an adequate technical assistance presence at DSA is a necessary (albeit not sufficient) condition for producing the required basic data. In addition, greater collaboration between the technical assistance personnel at DSP and those at DSA will also be required.

The proposed size, composition, placement, and work scopes of the technical assistance team will address the data-collection problem while also building on the successes of project 070. Thus, there will be three full-time advisors at DSP: an agricultural planner, an economic analyst, and a specialist in project identification, design, and evaluation, to work with the Agricultural Planning, Economic Analysis, and Projects Offices, respectively. In addition, there will be two advisors at DSA: a specialist in research methodology to work with the two offices at DSA oriented toward data collection per se (Current Statistics and Methodology), and a data analyst with experience in the use of microcomputers to work with the two offices at DSA that focus on data processing and analysis (Compilation and Computer).

Built into the work scopes of each of DSP's advisors is the requirement to collaborate with the two DSA advisors in efforts to obtain data needed for their respective studies. Similarly, the work scopes of the two DSA advisors call for collaboration between them as well as with each of the DSP advisors. In addition to the five office advisors, the project will also have an Agricultural Policy Coordinator, who will work in the Ministry of Plan as well as in MOA, and whose primary responsibility will be the promotion of coordinated agricultural investment planning within the GOZ. Finally, the Chief of Party (COP) will serve as an advisor to the SEP Director and to both the DSP and DSA Division Chiefs and will have overall responsibility for coordinating the activities of the technical assistance team. A key component of this coordination role will be to insure that the collaboration envisaged for DSP and DSA in fact comes about.

In summary, this project proposes a larger technical assistance component than its predecessor; the cost will be correspondingly greater. However, the effectiveness of the project (particularly as regards data collection in support of planning and policy studies) will be substantially enhanced. A smaller technical assistance team would likely repeat the failures vis-à-vis data collection of previous projects at SEP, while (given SEP's structure) a larger team would likely begin very quickly to run into rapidly diminishing marginal returns.

d. Data collection policy

During the past decade both USAID and FAO have initiated comprehensive data-collection efforts at DSA that have ultimately failed miserably. These experiences have resulted in a consensus that any future data collection efforts (at least in the near term) must be well-focused and small in scale. However, there are two important issues of data collection policy that influence cost-effectiveness and that remain open: what types and kinds of data should be collected, and what "technology" regarding interviewers should be utilized.

In the absence of a clear indication of what the data will be used for, many previous data collection efforts have attempted to be comprehensive in terms of the kinds of data collected. This approach has contributed to the failure of these efforts. Under the Agricultural Policy and Planning Project, data will be collected to provide information deemed necessary and useful for specific policy and planning studies. As suggested earlier, these data-collection efforts will be the result of close collaboration between DSA and DSP, and based on identified data needs for specific studies to be done by DSP. Well-focused surveys of this type are much more likely than more general surveys to generate useful information and consequently will be more cost effective.

For a number of years, DSA has attempted to use MOA agents already in the field as survey interviewers. These attempts have been unsuccessful, largely because of the absence of any follow-up and control (verification) procedures. Project 119 could either use people already in the field as interviewers (whether MOA personnel or individuals hired for a specific survey, as done recently by DSP in its Southern Band Survey), or use SEP personnel themselves as interviewers. This latter approach is a relatively costly one, since relatively high per diem costs are incurred when SEP personnel go into the field for extended periods for data collection. At the same time, however, the practical experience acquired by SEP technicians working as interviewers gives them extremely valuable insights into the realities of agricultural data collection in Zaire and can only serve to produce more realistic and feasible data-collection efforts in the future. As part of the on-the-job training to be provided by the project, it is proposed that SEP technicians function also as interviewers during the first few years of the project. This will significantly enhance SEP's data collection capabilities. Over time, however, as the sophistication of SEP's studies increases and the scope of data needs widens, it seems most likely that a data collection strategy based on utilization of mobile teams of interviewers and interviewers more or less permanently in the field will prove to be most cost-effective.

C. Administrative Analysis

1. Proposed Grantee/Implementing Agency

The Studies and Planning Service in the MOA will serve as the primary implementing agency for the Agricultural Policy and Planning Project with additional participation by the Ministry of Plan. SEP was established with USAID assistance and has served as the GOZ implementing agency for three previous USAID projects to assist the GOZ in the establishment of an effective planning unit in the MOA. SEP now has a cadre of U.S.-trained agricultural economists, who, with the assistance of American advisors, have produced a wide range of reports dealing with economic analysis, regional planning, project evaluation and policy formulation. The GOZ provides the Zairian professional and support staff for SEP. Counterpart funds have been used to pay supplemental benefits and defray some of the operational costs.

Experience with USAID's project 070 indicates that the organization, management, and staff at SEP are capable of carrying out the administration of the APP Project. These capabilities have been evident in the functional areas of project management, financial management, contracting, training, and reporting.

2. Organization

The Studies and Planning Service is a line directorate of the MOA, attached directly to the office of the General Secretary (the highest ranking civil servant within the Ministry). This organizational structure has two important implications for administration of the project. First, there are periodically urgent and specific requests to SEP from the MOA for "fire-fighting" work. These requests, which can be neither foreseen nor ignored, invariably interfere with planned project activities. However, so long as work plans as prepared are sufficiently flexible to accommodate these occasional needs, no serious problem should arise. Second, important contracts (e.g., hiring of expatriate personnel, large construction projects) require approval from the General Secretary. Experience under project 070 suggests that this should not constitute any problem, as contracts have been routinely signed without undue delay.

As indicated in SEP's organizational chart (Annex 8), SEP has four divisions of which two (Strategy and Planning or DSP and Agricultural Statistics or DSA) are involved directly in the project. SEP also has its own financial and administrative service, which has proved in previous projects to be extremely effective with respect to both project financial management and provision of logistical support services necessary for project implementation.

3. Management

There are four principal managers whose actions will significantly affect the outcomes realized by the project: the SEP Director, the DSP and DSA Division Chiefs, and the head of the Financial and Administrative

Service. Previous experience at SEP suggests that managerial skills and performance are quite strong for the first and last of these individuals, and weak for the other two. For the overall technical coordination of the project on the GOZ side, then, as well as for local procurement and financial administration of the project, experienced and capable managers are already in place.

Given the weaknesses of the two Division Chiefs, however, delegation of authority by the SEP Director has been relatively limited to date. In the same vein, there has been only limited delegation of authority by the Division Chiefs to their respective Office Chiefs. To improve this situation, several steps have been taken recently.

a. Pursuant to recommendations of the 1985 evaluation of project 070, Office Chiefs and Division Chiefs have begun to participate actively in the process of putting together budgets as well as annual work plans. This work should enhance managerial skills for SEP's lower-level managers.

b. The DSP Division Chief has been nominated as a candidate for long-term training (for a Master's degree), and it is expected that he will be part of project 119's first group of participants.

c. USAID, following a careful assessment of the very serious management problems that exist at DSA, has prepared and submitted to the MOA a series of recommendations aimed at improving DSA's management and its ability and willingness to collaborate with DSP. The project 119 components dealing with DSA will not be implemented unless and until these recommendations have been acted on, since failure to implement them will assure failure to achieve the project's objectives (See Section VIII).

d. The Chief of Party of project 119 will be an advisor to the Division Chiefs as well as to the SEP Director. A key item of his scope of work is "In collaboration with the DSP and DSA Division Chiefs, to ensure that steps are taken to develop and maintain close and collaborative working relationships between the offices of the two divisions."

4. Staffing

As a consequence of participant training undertaken as part of previous USAID projects at SEP, there are approximately a dozen U.S.-trained technicians working at SEP and another dozen still involved in training (including Master's thesis research). All but three of these individuals are affiliated with DSP. Given the past experiences with staff turnover (trained technicians are often bid away from SEP by the private sector or by international organizations, or they move up within MOA or move to other ministries of the GOZ), it is clear that additional participant training for staff development is required. Efforts to improve salaries should reduce turnover somewhat, but it is anticipated that 35 scholarships will be required over the life of the project (30 of them for SEP, including DSA as well as DSP) to maintain adequate staffing.

In addition, periodic recruitment will be required to replace participants who depart for the U.S. and technicians who leave SEP. Estimated new hires to replace participants will amount to six individuals every two years during the first years of the project. DSP has well-established procedures (developed under project 070) for personnel recruitment, with personnel coming principally from the Agronomy Faculty at Yangambi, the Economics Faculty at the University of Kinshasa, and the School of Veterinary Medicine in Lubumbashi. These procedures can be readily extended to DSA as well (with some modification in the academic institutions involved).

Finally, it should be noted that turnover and staffing on the administrative side present no problems. The head of SEP's Financial and Administrative Service has been at SEP for over 10 years, and turnover in other positions has been very limited.

D. Social Soundness Analysis

Almost all Zairians have experienced economic difficulties during recent years. In particular, the salary structure of civil servants is not keeping pace with the cost of living. This is particularly the case in the Ministry of Agriculture where the package of benefits (transportation, medical insurance, and salary supplements) has become less attractive than that in certain other government ministries. Given this situation, the employees of the Ministry of Agriculture have not been expected to (and generally have not) put in complete days of work at the MOA.

Politically, the formulation of agricultural policy is complicated by tribal rivalries, traditional versus modern sector forces, and by individuals in positions of power who profit from subsidized importation of foodstuffs that act as disincentives to local production. In addition, the high level political actors are shifted so frequently that continuity and accumulated expertise is often lacking in any field, including agricultural policy.

Temporally, Zairians generally have a very short planning horizon in their daily lives. Government employees do not have a viable social security system. High rates of inflation, low salaries, and job insecurity lead to a high rate of expenditure on consumption of goods as opposed to investments. This outlook is thus in conflict with the concepts espoused by the project.

Zairians have lived through some very radical changes in the last 30 years. In the agricultural sector, quota systems were discarded, plantations were Zairianized, then nationalized, and then gradually skilled expatriates were invited back to pick up the pieces. These changes in policy have not provided the stability needed for the agricultural sector, the "priority of priorities" since 1970, to advance. Despite public lip service to the rural sector, real gains in agricultural investment have been notably slow.

Yet recent policy reforms in Zaire indicate that project 119 should be able to operate successfully in a society increasingly receptive to economic reforms. Over the past three years the GOZ has instituted policy reforms that have decentralized many government organizations, liberalized farmgate (and urban market) prices, and stabilized foreign exchange rates. It has also emphasized more coordinated planning and policies for agricultural development (as seen in project 070). As the GOZ limits its growth and tries to focus its efforts, it is providing incentives for faster growth in the private sector.

As a result, farmers and businesses have been able to act more independently: they are expanding their activities, taking more risks, and reaping greater rewards. As farming and agribusiness have expanded, the marketplace has become more competitive. Thus farmers and businesses are becoming increasingly interested in policy reform and useful agricultural information as keys to successful commerce. Such a project as 119 responds well to the demands of these entrepreneurs, and begins at a time when social and government influences are paying more attention to reform and growth in the agricultural sector.

These demands require better services from the MOA, and from SEP in particular. The problem remains, however, of increasing the capacity and output of SEP/MOA so that it can meet the demands and needs of Zairian society, other government organizations, and entrepreneurs. SEP/MOA still needs to develop a professional attitude among its personnel whereby they regularly demand of themselves excellent work. Expectations within the organization, and the personnel's ability to meet them (particularly in the Statistics Division), need to be raised.

Project 119 addresses directly such institutional and personnel problems. As a result, the project will benefit not only SEP and its personnel, but Zairian farmers, businesses, consumers, government, and society as a whole. The selection of SEP employees for graduate training will provide incentives for more diligent devoted workers as they will be able to improve their professional status while gaining analytical and management skills. Moreover, they will benefit from the intellectual and professional rigors of their training. SEP, in turn, should develop a better organization, better management, practical and attainable goals, a salary incentive system and a staff increasingly able to take more responsibility for achieving its goals. Both the institution and its staff will become more productive and more self-confident; better policy analysis, more useful studies, and increased awareness of SEP's usefulness will result.

Farmers and businesses will benefit from better defined agricultural policies and more consistent agricultural planning. Consumers will also gain as more reliable agricultural information and better policies contribute to a more efficient and competitive market.

Moreover, other government agencies that work with SEP/MOA in planning and policy dialogue will gain as SEP provides timely and reliable information about agricultural development. Such other government organizations as Plan and the Ministry of Transport will rely

on SEP for its analyses and policy recommendations. Thus, the key role that agricultural policy plays, and should play, in Zaire's development planning will be enhanced.

All of these benefits will improve the reputation of SEP and increase the demand for its services. The success of the project can only make SEP/MOA a more viable government institution, ensuring that its services and products are sustained by further government financing.

The project can verify SEP's progress and increasing importance in Zairian policy making by studying SEP's relationship with other GOZ institutions, by monitoring the demand for SEP policy papers and analyses, and by surveying public attitudes about agricultural policy reform and its perceived effects.

VIII. CONDITIONS AND COVENANTS

A. Conditions to Disbursement

As noted in numerous sections above, the Division of Agricultural Statistics (DSA) of SEP has management, staff and organizational shortcomings which jeopardize the ability of the proposed project to meet its objectives. (A more detailed description of these numerous shortcomings and of USAID's remedial recommendations are found in Annex 10.) Therefore, as conditions precedent to disbursement of funds in support of DSA, SEP will furnish to USAID the following information:

1. The GOZ will supply to USAID documentation stipulating that management of DSA has been improved through the placement of dynamic full-time leadership at the Division. Such leadership must have the following qualifications: a) education, a U.S. M.Sc. or equivalent in economics or statistics with experience in data collection in Zaire; and b) management skills, a demonstrated ability to successfully supervise personnel and manage resources.
2. Documentation from the General Secretary's Office explaining the role of DSA and its interaction with other information-gathering agencies, especially the FAO.
3. Description of the role and work scopes of each office within DSA and details on the flow of statistical work through the Division.
4. A listing of financial accounts maintained by DSA, the names of the persons authorized to draw upon those accounts, and the current status of those accounts as based on a financial audit.

Meeting these conditions will enable SEP to direct DSA activities in a much more effective manner. These conditions must be met before the end of project 070 in order to have the technical advisors, training and commodities needed to rehabilitate and use the DSA for APP Project activities.

B. Covenants

The Government of Zaire through the Ministry of Agriculture's Studies and Planning Service will covenant to research and to document its efforts to enact the following recommendations:

1. That the GOZ/MOA take the lead in trying to determine an appropriate data collection methodology for all donor efforts in the agricultural sector which will delineate standards in terminology, sampling, confidence intervals by aggregation, etc.
2. That the GOZ through SEP, propose and implement a salary structure that rewards data analysts commensurately with data collection technicians who receive travel per diem.

IX. EVALUATION ARRANGEMENTS

Evaluation will be an on-going activity of this project. Three levels of evaluation at reasonable intervals are proposed in the following paragraphs.

A. Internal Evaluations

Internal reviews will be "in-house" efforts on the part of project's Task Force to insure that the project activities are being directed toward the achievement of project outputs and purposes. The details of such reviews will be left to the project implementation teams (SEP; DSA and DSP; and the TA team). The intent of these reviews is to emphasize the need to examine progress on a continuing basis to insure project effectiveness. Monthly reviews are recommended. Quarterly report requirements of the TA contractor will also function as an on-going internal examination and evaluation of project progress toward meeting objectives.

B. Annual Evaluations

Project appraisal reports will be prepared annually to examine progress towards achieving project objectives and performance of involved parties in meeting project objectives, commitments and requirements. These appraisals will be concise documents written as reviews of the TA team's annual reports. Problems identified will be met with appropriate corrective actions.

C. External Evaluations

Five formal evaluations will be conducted jointly by USAID and GOZ/Contractor. The first of these evaluations will take place after the first year of the project. This initial evaluation will center on an assessment of possible areas to achieve project impact on agricultural policy and an assessment of the performance to date of the DSA and particularly on divisional management practices and published survey results. The project proposes to use arrangements with the APAP Project to acquire the consultants to conduct this first evaluation. Recommendations for project redirection or redesign will be elaborated as necessary. The evaluation team will also assess project implementation progress and problems. At this point in the project, a TA team should be in place, five trainees sent to the U.S. and the screening of the Area Frame for Shaba should be well underway.

The remaining external evaluations will be conducted in years three, five, seven, and ten. These in-depth evaluations will focus on progress made and also on problems and delays encountered. Special attention will be paid to the degree of collaboration between DSA and DSP and to the impact that SEP has on improved agricultural policy and investment strategy in the agricultural sector. If existing administrative arrangements are not successfully leading to project objectives, changes will be proposed and implemented.

In year three, the second evaluation will be conducted using external assistance. The evaluation team will: 1) critically assess TA/Contractor performance to date; 2) assess report progress concerning organization, scheduling, data collection and policy recommendations (benchmarks five commodity reports finalized, one situation report, two regional studies finalized or underway, one progress report on the Five Year Plan, three project evaluations conducted, and one major policy impact paper finalized); 3) assess project data collection methods and practices (DSA performance); 4) assess the project's data processing capabilities, needs and possibilities for expansion; 5) assess policy impact of project; and 6) assess present situation regarding outstanding issues in the Project Paper.

The evaluation in year five will concentrate on the Project's present and future needs for technical assistance and training. The team will assess needs and propose means to address the Project's TA and training needs for the remainder of the LOP, with phasing plans. Other areas of assessment/evaluation of project progress will be: 1) report progress against the present action plan; 2) project/SEP data collection methods, practices and results; and 3) present situation concerning sustainability of project activities, impact on policy, cost-effectiveness (alternatives) and attrition. The evaluators will provide recommendations for improvement/redesign as needed.

At this point, the project design team can not elaborate on the possible nature or scope of the evaluations programmed for years seven and ten. The needs of the project will have evolved considerably at this point and will be monitored by the project's Task Force. Task Force recommendations should be solicited and followed concerning these subsequent evaluations.

USAID will contract, approve, assist, and expedite all necessary arrangements for the evaluation teams.

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Annex 1
PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK

Project Title & Number: Agricultural Policy and Planning 660-0119

From FY 86 to FY 96

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
Program or Sector Goal: The broader objective to which this project contributes (A ¹):	Measures of Goal Achievement: (A ²):	(A ³)	Assumptions for achieving goal targets: (A ⁴)
To increase the productivity of the agricultural sector in Zaïre.	Increased agricultural production and per capita real income for Zaïre's rural agricultural population.	GOZ reports on production and real income.	Economic and political stability of recent years will continue. Continued acceptance by GOZ to SEP input on questions of agricultural policy. Improved agricultural policies will lead to increased production.

PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK

Project Title & Number: Agricultural Policy and Planning 660-0119

From FY 86 to FY 96

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>Project Purpose: (B-1)</p> <p>To increase the institutional capacity of the Government of Zaire to develop and implement coordinated agricultural policies and investment plans.</p>	<p>Conditions that will indicate purpose has been achieved: End of Project Status. (B-2)</p> <p>a. Trained technicians returned to Zaire and working within their respective ministries and agencies.</p> <p>b. The institutionalization of annual conferences on agricultural policy and planning with participation by the various GOZ ministries and agencies involved, by representatives of the private sector and by other sector donors.</p> <p>c. Sound commodity and regional reports based on reliable data.</p> <p>d. The preparation of specific papers on particular agricultural policy questions relevant to Zaire; which will promote increased agricultural production; and evaluations of ongoing and proposed agricultural development projects and programs.</p> <p>e. A system of data collection in place reporting reliable agricultural statistics in a timely manner.</p> <p>f. Regular consultation between SEP and other GOZ agencies affecting agriculture.</p>	<p>(B-3)</p> <p>a. Examine USAID participant training files and follow up on status of returned participants.</p> <p>b. Examine reports prepared for the conferences and participant roles.</p> <p>c. Examine DSPA reports and data.</p> <p>d. Examine policy papers, DSPA reports, and program and project evaluations.</p> <p>e. Examine contents of statistical data bank and DSA reports.</p> <p>f. Examine correspondence files, minutes of meetings concerning plans and policies and hold interviews with the concerned Departments.</p>	<p>Assumptions for achieving purpose: (B4)</p> <p>GOZ is able to retain trained staff.</p> <p>Other Departments and agencies will cooperate with SEP on issues affecting agricultural planning and policy.</p> <p>The GOZ has the political will to directly and/or indirectly finance and effect mechanisms to develop coordinated agricultural plans and policies</p>

PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK

Project Title & Number: Agricultural Policy and Planning 660-0119

From FY 86 to FY 96

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
Project Outputs: (C-1)	Magnitude of outputs: (C-2)	(C-3)	Assumptions for achieving outputs: (C-4)
a. Trained Personnel	a.1. 35 Zairians trained in the U.S at the M.S. level or at ISPC returned and working in Zaire. a.2. 20 Zairians receiving short-term training at ISPC or other training centers (emphasis on mid-level personnel).	a. Examine USAID participant training files and follow up on returned participants	Qualified participants made available by GOZ in a timely manner. Provision of GOZ inputs as planned.
b. Annual conferences on policy and planning of agriculture with donor, public and private sector participation (e. g. public works, transport, etc...)	b. At least 8 conferences held.	b. Examine conference reports	Willingness of various participants from GOZ ministries and agencies to participate in conferences with sector donors and private sector.
c. Regional reports	c. Updated reports prepared for each region at least twice during life of project (16 reports).	c. Examine reports	
d. Commodity Reports	d. New or updated amplified reports prepared for food and export crops and animal products (at least 20 reports).	d. Examine reports	
e. Specific papers dealing with Ag., marketing, and investment policies in Zaire, and evaluation of ongoing and proposed projects and programs.	e. At least 8 papers prepared dealing with specific policy questions and 24 evaluations of proposed and ongoing projects and programs.	e. Examine policy papers, projects and programs	Policy decision makers will seriously consider proposed policy options.
f. Statistical surveys which produce reliable and useful agricultural data.	f. At least 8 major surveys completed.	f. Survey reports and periodic statistical publications	DSA/SEP willing and able to take leading role in primary data collection efforts of 660-0119.
g. Expanded and Updated Statistical Data Bank.	g. List of all data contained in data bank.	g. Print-outs of data bank contents.	

PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK

Project Title & Number: Agricultural Policy and Planning 660-7119

From FY 86 to FY 96

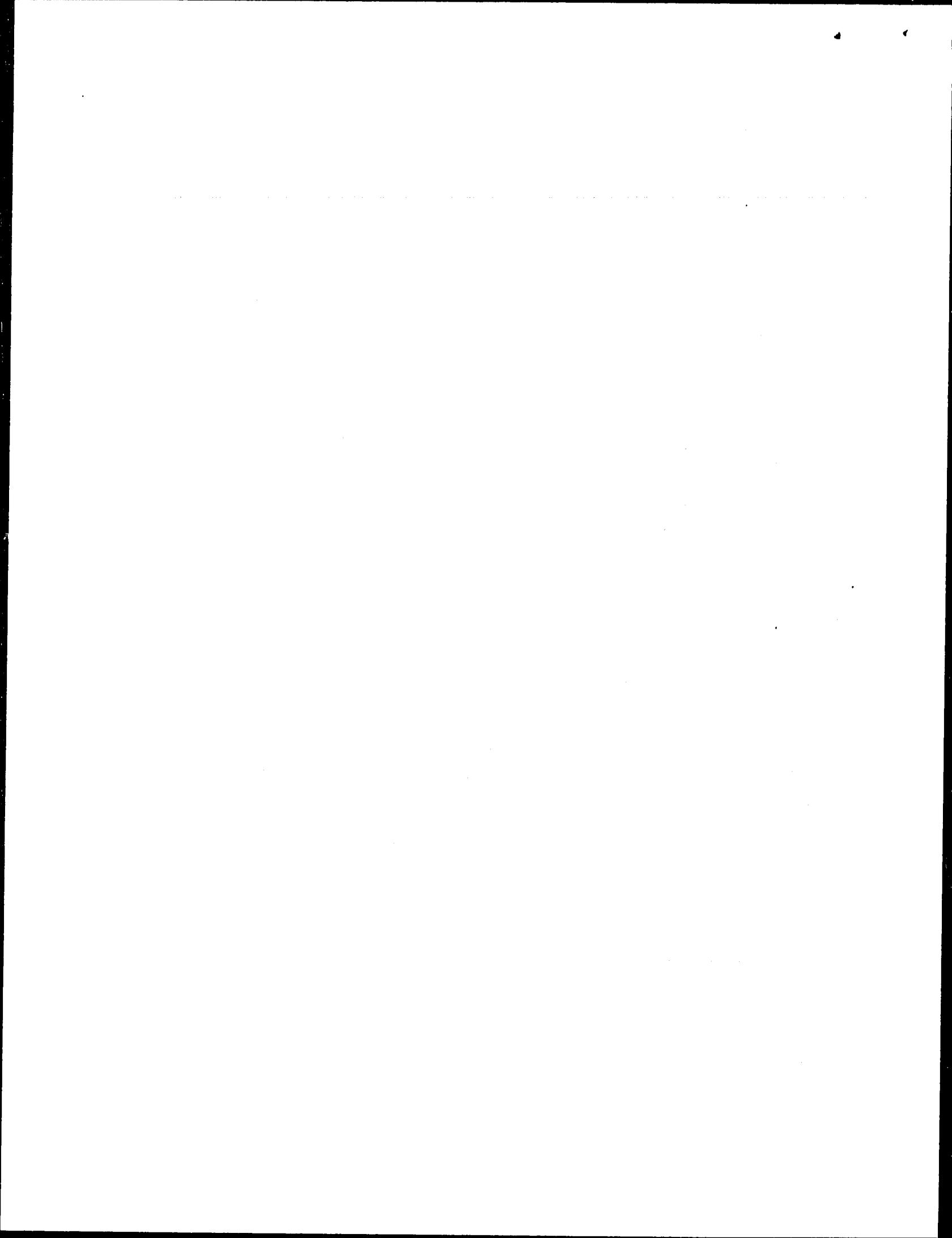
NARRATIVE SUMMARY Project Inputs: (D-1)	OBJECTIVELY VERIFIABLE INDICATORS (D-2) Implementation targets:	MEANS OF VERIFICATION (D-3)	IMPORTANT ASSUMPTIONS (D-4) Assumption for Providing inputs:
<u>USAID Inputs</u>			
a. Technical Assistance	a.1.7 - long-term technical advisors 1 - long-term PSC agricultural policy analyst. a.2.20- person-months of short-term consulting. a.3.7 - person-months of effort under Agricultural Policy Analysis Project a.4.1 - Long-Term Admin. Officer	a. Examine project records.	a. Selected contractor will be able to find qualified technical assistance team and consultants in a timely manner.
b. Training	b.1. 35 Zairians trained in US. at M.Sc. level or at ISPC. b.2. 20 Mid-level Zairians receiving short-term training. b.3. Short-term in-country training	b. Examine participant records.	b. GOZ able to provide qualified participant candidates in a timely manner.
c. Commodities	c. Office Equipment 20 micro-computers 10 printers plotters 20 software packages 3b Motorcycles Survey equipment and material Furniture and appliances Technical materials.	c. Examine project procurement records	
<u>GOZ Inputs</u>			
a. Technical Assistance	a.1. Administrative Assistant for Chief of Party and SEP Director. a.2. Translators a.3. English Teacher.	a. Examine SEP accounts and personnel records.	Counterpart funding levels remain adequate and the GOZ releases budgetary funds in a timely manner.

PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK

Project Title & Number: Agricultural Policy and Planning 660-0119

From FY 86 to FY 96

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
Project Inputs: (D-1)			
<u>GOZ (cont.)</u>			
b. Training	b.1. 55 Qualified Zairian Technicians released for training b.2. All local currency in-country expenses for training.	b. Examine SEP Budgets, Personnel files, and Accounts	
c. Commodities	c.1. 14 - 4 wheel-drive vehicles 4 - Buses 11 - Compact Cars Office Equipment.		
d. Construction	d. New Building to house all of SEP (\$1,000,000 equivalent).	d. Examine Building	d. GOZ provides building site in timely manner.
e. Operating Costs.	e.1. SEP STAFF Salaries e.2. Vehicle Maintenance e.3. Per Diem for short and long-term expatriate advisors as appropriate. e.4. All in-country data collection costs e.5. Other costs.	e. Examine Budgets and accounts.	



ANNEX 2. STATUTORY CHECKLIST

3A (2) PROJECT CHECKLIST

Listed below are statutory criteria applicable to projects. This section is divided into two parts. Part A. include criteria applicable to all projects. Part B. applies to projects funded from specific sources only:
B.1. applies to all projects funded with Development Assistance loans. and
B.3. applies to projects funded from ESF.

CROSS REFERENCES: IS COUNTRY CHECKLIST UP TO DATE? HAS STANDARD ITEM CHECKLIST BEEN REVIEWED FOR THIS PROJECT?

A. GENERAL CRITERIA FOR PROJECT

- | | |
|---|--|
| <p>1. <u>EY 1985 Continuing Resolution Sec. 525. EAO Sec. 634A.</u>
Describe how authorizing and appropriations committees of Senate and House have been or will be notified concerning the project.</p> | <p>1. The legislative has approved our FY 1987 Congressional Presentation which described this Project and established the funding levels for FY 87 and Life of Project.</p> |
| <p>2. <u>EAO Sec. 611(a)(1).</u> Prior to obligation in excess of \$500,000, will there be (a) engineering, financial or other plans necessary to carry out the assistance and

(b) a reasonably firm estimate of the cost to the U.S. of the assistance?</p> | <p>2. N/A</p> |

3. EAA Sec. 611(a)(2). If further legislative action is required within recipient country, what is basis for reasonable expectation that such action will be completed in time to permit orderly accomplishment of purpose of the assistance? 3. N/A

4. EAA Sec. 611(b), FY 1985 Continuing Resolution Sec. 501. If for water or water-related land resource construction, has project met the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? (See AID Handbook 3 for new guidelines.) 4. N/A

5. EAA Sec. 611(c). If project is capital assistance (e.g., construction), and all U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability effectively to maintain and utilize the project? 5. N/A

6. EAA Sec. 209. Is project susceptible to execution as part of regional or multilateral project? If so, why is project not so executed? Information and conclusion whether assistance will encourage regional development programs. 6. No

7. EAA Sec. 601(a). Information and conclusions whether projects will encourage efforts of the country to:
- (a) increase the flow of international trade;
 - (b) foster private initiative and competition;
 - (c) encourage development and use of cooperatives, and credit unions, and saving and loan associations;
 - (d) discourage monopolistic practices;
 - (e) improve technical efficiency of industry, agriculture and commerce;
 - (f) strengthen free labor unions.
- 7.a. Yes
b. Yes
c. N/A
d. Yes
e. Yes
f. N/A
8. EAA Sec. 601(b). Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).
8. Highest consideration will be given to contractor bids that include participation of 8a (small business) firms. The project will encourage agricultural policy formulation which will promote internal and external investment.
9. EAA Sec. 612(b), 636(b), EY 1295 Continuum Resolution Sec. 50Z. Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars.
9. Approximately 41 percent of the total project costs are provided by joint programming of counterpart fund generations (CPF). All possible in-country costs are provided for by CPF currency. This includes all in-country personnel, 60 percent of project commodities and all survey supports costs.

10. EAO_SEC_612(d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release? Yes, special accounts have been set-up to receive and program counterpart local currency generations from sells of U.S. commodities in Zaire.
11. EAO_Sec_601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? 11. Yes
12. EY_1285_Continuing_Resolution_Sec_522. If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity? 12. N/A
13. EAO_118(c)_and_(d). Does the project comply with the environmental procedures set forth in AID Regulation 16. Does the project or program take into consideration the problem of the destruction of tropical forests? 13. N/A
14. EAO_121(d). If a Sahel project, has a determination been made that the host government has an adequate system for accounting for and controlling receipt and expenditure of project funds (dollars or local currency) generated therefore? 14. N/A

15. EA 1985 Continuing Resolution
Sec. 536. Is disbursement of
the assistance conditioned
solely on the basis of the
policies of any multilateral
institutions?

15. No

16. ISDA of 1985 Sec. 310. For
development assistance
projects, how much of the
funds will be available only
for activities of
economically and socially
disadvantaged enterprises
historically black colleges
and universities, and
private and voluntary
organizations which are
controlled by individuals
who are black Americans,
Hispanic Americans, or
Native Americans, or who
are economically or
socially disadvantaged
(including women)?

16. No specific amount
has been set aside
for gray amendment
entities or PVOs,
but as stated in
answer to eight
above, the highest
consideration will
go to bids with par-
ticipation of 8(a)
firms and HBCUs.

B. ELIGIBLE CRITERIA FOR PROJECT

**1. Development Assistance
Project Criteria**

a. EAA Sec. 102(a), 111,
113, 281(a). Extent to
which activity will (a)
effectively involve the
poor in development,
by extending access
to economy at local
level, increasing
labor-intensive
production and the use
of appropriate
technology, spreading
investment out from
cities to small
towns and rural areas,
and insuring wide
participation of the

B.1.a(a). The project
will promote privati-
zation and deregulation
of agriculture through
better policy
formulation and
better investment
planning, appraisal
and evaluation. These
actions hold
potential to extend
economy to local
levels and increase
agricultural
production thus
helping the rural
poor.

poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (b) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status. (e) utilize and encourage regional cooperation by developing countries?

(b) No direct intervention planned in these areas except maybe a feasibility legislative study of cooperative development in Zaire.
 (c) Minimal support planned to assist decentralized regional planning which is a self-help activity in Zaire.
 (d) Assuming that the project leads to better agricultural policy formulation and better agricultural investment, the project will help the status of women who are the main agricultural producers in Zaire.
 (e) To no extent.

t. EOA Sec. 103, 103a, 104, 105, 106. Does the project fit the criteria for the type of funds (functional account) being used?

b. Yes

c. EOA Sec. 102. Is emphasis on use of appropriate technology (relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the area)?

c. Yes (appropriate survey techniques and methods used)

d. EOA Sec. 102. Is the project designed to provide at least one

d. Yes (EOA)

of the cost of the program, project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived for a relatively least developed country)?

e. EAG_Sec. 122(b). Does the activity give reasonable promise of contribution to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth? e. Yes

f. EAG_Sec. 122(b). If the activity attempts to increase the institutional capabilities of private organizations or the government of the country, or if it attempts to stimulate scientific and technological research, has it been designed and will it be monitored to ensure that the ultimate beneficiaries are the poor majority? f. Yes

g. EAG_Sec. 207(b). Describe extent to which program recognizes the particular needs, desires and capacities of the beneficiaries. g. The project will train 35 Zambians to the M. Sc. level. These Zambians will attend the Studies and Planning Institute in the Ministry of Agriculture that

country, utilizes the country's intellectual resources to encourage institutional development; and supports civil education and training in skills required for effective participation in governmental processes essential to self-government.

enhancing the capacity for self-government

2. Development Assistance
Project Criteria
(Loans Only)

2. N.A

- a. EOA Sec. 122(b). Information and conclusion on capacity of the country to repay the loan, at a reasonable rate of interest.
- b. EOA Sec. 620(d). If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the U.S. of more than 20% of the enterprises's annual production during the life of the loan?

3. Foreign Investment
Administration

4. Foreign Investment
Administration
5. Foreign Investment
Administration

To the maximum extent feasible, is this assistance consistent with the policy directions, purposes, and programs of part I of the FAA

b. FAA Sec. 531(c). Will assistance under this chapter be used for military, or paramilitary activities? b. No

c. ISDQA of 1955 Sec. 202. Will ESF funds be used to finance the construction of, or the operation or maintenance of, or the supplying of fuel for, a nuclear facility? If so, has the President certified that such country is a party to the Treaty on the Non-Proliferation of Nuclear Weapons or the Treaty for the Prohibition of Nuclear Weapons in Latin America (the "Treaty of Tlatelolco"), cooperates fully with the IAEA, and pursues nonproliferation policies consistent with those of the United States? c. No

d. FAA Sec. 531. If expenditures are to be granted, will the assistance be restricted to the purchase of...? d. N/A

Kinshasa, le 21 MARS 1985



N° 513/080/SEP/DADR/85

Conseil Exécutif
DEPARTEMENT DE L'AGRICULTURE ET
DU DEVELOPPEMENT RURAL

LE DIRECTEUR

A Monsieur Richard PODOL
Directeur de l'USAID
KINSHASA.

Monsieur le Directeur,

J'ai l'honneur de venir par la présente vous faire part de la satisfaction du Gouvernement du Zaïre de l'aide précieuse que l'USAID a accordée au Service d'Etudes et Planification (SEP) dans le cadre des activités du Projet 070. Grâce à l'aide de l'USAID à notre Direction, nous avons pu obtenir des résultats encourageants. Néanmoins, étant donné qu'il y a encore des objectifs à atteindre dans les domaines de la planification agricole, de l'élaboration de la politique agricole, et surtout dans le domaine de la statistique, le Gouvernement du Zaïre souhaite que cette aide puisse continuer jusqu'à l'achèvement total de ce qui reste à accomplir.

D'autre part, je saisis cette occasion pour vous informer qu'il existe un projet de créer une nouvelle activité au sein du Service d'Etudes et Planification dans le cadre du Plan Quinquennal et que le Gouvernement du Zaïre compte vivement sur l'aide de l'USAID pour ce nouveau projet.

Je vous souhaite bonne réception de la présente lettre, et entretemps je reste dans l'attente de vos nouvelles à ce sujet.

Je vous remercie et vous prie d'agréer, Monsieur le Directeur, l'assurance de mes sincères salutations.-

- MUBENGA MUKENDI



Kinshasa, March 21 1986

Conseil Executif
D.A.R.D.
Director.

To Mr Podol
USAID Director.

Dear Sir,

It is my pleasure hereby to inform you of the ^{GOZ's} satisfaction with the precious aid that USAID has granted to SEP, under Project 070 activities. Thanks to USAID's aid to our direction we have been able to obtain some encouraging results. However, given that there are still more objectives to be achieved in the fields of agricultural planning, of agricultural policy drafting, and especially in the field of statistics, the ~~SR~~ hopes that this aid will be able to continue until the total completion of what remains to be accomplished.

I also take this opportunity to inform you that a plan exists to create a new activity within SEP under the Five Year Plan, and that the ~~SR~~ is counting on USAID's aid for this new project.

Trusting that this reaches you, I await your communication on this subject.

Thanking you in advance, I remain yours sincerely,

MUBENGA MUKENDI.

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ANNEX 4: LIST OF MAJOR COMMODITIES
 AGRICULTURAL POLICY AND PLANNING PROJECT 660-0119

USAID_Procurement

Item	Quantity_LOP	Costs_(000\$)
TA Furniture and Appliances	7 households (7 x 2 sets)	400
Books, Office Supplies and Documentation	To be determined	100
Data Processing Equipment		250
Microcomputers	20	
Printers	10	
Communication, plotters	6	
Software packages	30	
Survey Equipment and Supplies		200
Motorcycles	36	
Compasses	150	
Pails, shovels, raincoats, boots	as needed	
Camping gear	36 sets	
Misc. material and equipment	as needed	
Subtotal		950

GOZ_(local)_Procurement

Item	Quantity_LOP	Costs_(000\$)
Vehicles		637
Four wheel drive	14	
Buses	4	
Compacts	11	
Office Furnitures and Equipment		200
Desks and chairs	96	
Filing cabinets	96	
Storage cabinets	96	
Replacements	as needed	
Books, Supplies and Documentation	To be determined	100
Survey Equipment and Materials		320
Paper supplies	as needed	
Photocopy machines	8	
Camping supplies	as needed	
Misc. equipment and supplies	as needed	
TA Furniture and Appliances		200
Subtotal		1,457
Total		2,407

March 12, 1986

Annex 5: Motorcycle Waiver Request

ACTION MEMORANDUM FOR THE MISSION DIRECTOR

FROM : Ron Daniel, ARD Waiver Control No. _____

SUBJECT: Source/Origin Waiver for Vehicle Procurement Under Agricultural Policy and Planning Project 660-0119.

I. PROBLEM

Your approval is requested for (1) a Procurement Source/Origin Waiver from A.I.D. Geographic Code 000 (U.S. Only) to Code 935; and (2) a waiver of the provisions of Section 636 (i) of the Foreign Assistance Act of 1961 as amended.

- a) Cooperating Country : Zaire
- b) Authorizing Document: Project Paper
- c) Project : Agricultural Policy and Planning (660-0119)
- d) Nature of Funding : Grant
- e) Description : 36 Off-road motorcycles and spare parts
- f) Approximate Value : \$90,000. motorcycles
 : 22,500. spare parts
 : 112,500. total
 : =====
- g) Probable Source : USA, Japan
- h) Probable Origin : Japan

II. DISCUSSION

One of the objectives of the Agricultural Policy and Planning Project 660-0119 is to establish a workable method of primary data collection within the Studies and Planning Service to the Government of Zaire's Department of Agriculture. Primary data collection will be accomplished using specific small-scale surveys which will require a group of 16 enumerators who can be mobilized and dispatched to remote areas and supervised by a two-man subregional team. The Project Paper proposes to mobilize enumerators and supervisors using motorcycles. Off-road motorcycles have proven to be a reliable and durable means of transport in the interior for Peace Corps Volunteers under USAID's Fish Culture Project 660-0080.

02

This waiver request raises two basic issues: (1) the source/origin requirements set forth in AID Handbook I, Supplement B, Chapter 584a(2); and (2) the requirements of Section 636(i) of the FAA which prohibits the use of FAA funds for the purchase or long-term lease of motor vehicles unless such vehicles are manufactured in the United States.

III. JUSTIFICATION

(a) Source/Origin Waiver: AID Handbook I, Supplement B, Chapter 584a (2) permits waiver of the authorized geographic code for purchase of commodities when the commodity is not available from countries included in the authorized geographic code. There are no U.S. Manufactured motorcycles of the required size and capacity. Motorcycles of the required size and spare parts are unobtainable from AID Geographical Code 000 (US) and 941 (Selected Free World).

(b) Section 636 (i) Waiver: AID Handbook I, Supplement B, Chapter 4C2d(1)(b) permit waiver of Section 636 (i) of the FAA when there is a current or projected lack of adequate service facilities and supply of spare parts for U.S. Manufactured vehicles. No U.S. motorcycle manufacturers or dealers are represented in Kinshasa and no service facilities or spare parts are available. Chapter 4C2d(1)(a) of the same Handbook also permits waiver of Section 636 (i) of the FAA if U.S. manufacturers are unable to provide a particular type of needed vehicle. The project requires a relatively lightweight, off road motorcycle. No U.S. manufacturer produces such a vehicle.

IV. RECOMMENDATION

For the above reasons, it is recommended that you: (1) approve a waiver from AID Geographic Code 000 to AID Geographic Code 935; (2) conclude that special circumstances exist requiring a waiver of Section 636(i) of the FAA; and (3) certify that exclusion of procurement from Free World countries other than the cooperating country and countries in Code 941 would seriously impede attainment of U.S. foreign policy objectives and objectives of the foreign assistance program.

Such approval is recognized by your approval of the 660-0119 Project Paper with inclusion of said Waiver.

ANNEX 6: Training Plan

Basically, the SEP training proposed below will allow for the replacement of Office Chiefs and Assistant Office Chiefs for each participating office at least twice during the Projects LOP (total 28 trainees). It is assumed that towards the early 1990's several more positions will need to be filled due to promotions and reassignments (two more trainees). Based on these present plans, there will remain five training positions open for participation of other appropriate Ministries (Plan, Transport, Finance). Specialties for these five positions will be determined on a case by case basis.

(DSP)

Twelve participants will be trained in this Division as follows:

(Office of Economic Analysis)

Four MSc. degrees in agricultural economics, with the following specialties:

Marketing, pricing of agricultural commodities
Farm management (2)
Econometrics, pricing policy
Farm credit, finance of rural institutions
International commodity trade
(an additional option is farming systems research).

(Office of Agricultural Planning)

Four MSc. or MBA degrees with the following specialties:

Business administration, marketing, agribusiness
Business administration, financial management
Farm management
Public policy
Resource planning and management

(Office of Projects)

Four MSc. or MBA degrees with the following specialties:

Business administration, marketing, agribusiness
Business administration, financial management
Farm management, economics.

An additional option for long-term trainees would be short courses at the I.S.P.C. (US Bureau of Census), the Economic Development Institute

of the World Bank, and summer institutes at various U.S. universities, on development planning and project evaluation, etc. Virtually all of the MSc. trainees should attempt to benefit from at least one of these opportunities in the course of his stay in the United States.

(DSA)

Sixteen participants will be trained from the Division of Agricultural Statistics (DSA), awarded to the four offices as follows:

(Office of Methodology)

Responsible for survey methods and design of survey instruments, this office will send four staff members for training in:

- Statistical theory
- Biometrics
- Applied statistics sampling
- Agricultural economics
- Applied statistics (questionnaire design)
- Monitoring and evaluation.

(Office of Current Statistics)

Responsible for survey implementation, statistical training and location of secondary data, this office will send four staff members for training in:

- Statistical theory
- Biometrics
- Sampling applied statistics
- Agricultural economics
- Applied statistics (questionnaire design)
- Monitoring and evaluation.

(Data Analysis Publication Office)

Responsible for data verification, coding, interpretation, and publication, this office will send four staff members for training in:

- Computer Science, Programming, Management
- Statistics
- Biometrics

(Computer Office)

Responsible for questionnaire design and programming, all data entry and processing, and computer analysis, this office will also send four members for training in:

- Computer Science, Programming, Management
- Statistics
- Biometrics

SCOPE OF WORK - DATA COLLECTION ADVISOR

The Data Collection Advisor will advise the Chiefs of the Data Collection Offices (BM and BSC) in:

1. Designing and implementing primary data collection efforts of the project, in collaboration with the Chief of the Data Processing Office of DSA and in collaboration with the Chief of the Office or organization initiating the data collection effort.
2. Developing annual work plans and budgets for the Office, providing data collection services as specified in the annual work plans, and (to the extent possible) responding to urgent and specific requests from MOA, SEP, and USAID for data collection services.
3. Providing on-the-job training in data collection to the staff of the Office, proposing candidates for participant training, and selecting additional staff as needed.
4. Preparing a Data Collection Handbook providing a comprehensive approach to designing and implementing sample surveys on the Zairian agricultural sector. The Handbook should deal with procedural, methodological, logistical, and standardization issues encountered in doing survey work. This will entail use of the area frame and list frame systems.
5. Preparing technical appendices for reports on project data collection efforts, describing the methodology used for the data collection effort in question.
6. Collecting secondary data to be stocked in the Agricultural Statistics Data Bank. This activity will be carried out in close collaboration with the Data Processing Office and will entail a major survey of sector projects and donors to ascertain type, quality, quantity, timing and standards of the various data.

SCOPE OF WORK -- DATA PROCESSING ADVISOR

The Data Processing Advisor will advise the Chiefs of the Data Processing Offices (BI and BDP) in:

1. Evaluating and proposing software and hardware components to expand and update the existing computer capability of the Service.
2. Providing technical guidance and specifications to facilitate procurement of electronic data processing (EDP) equipment and supplies.
3. Providing on-the-job training to the management staff for the EDP facility, proposing candidates for participant training from among the staff, selecting additional staff as needed, and revising and updating (as needed) the manuals guiding the management and operation of the EDP facility and its systems.
4. Collaborating with the Chief of the Data Collection Office of DSA to insure that every data collection instrument to be used by DSA has been designed with a view toward ease and efficiency of data processing.
5. Collaborating with the Chiefs of the three offices at DSP so as to meet their needs for data processing services in conjunction with data to be collected in support of project studies and reports.
6. Developing annual work plans and budgets for the office, providing data processing support services to MOA and to SEP as specified in the annual work plans, and (to the extent possible) responding to urgent and specific requests from MOA, SEP, USAID, and FAO for data processing services.
7. Preparing and implementing a program for expansion of the existing Agricultural Statistics Data Bank. This program should provide for inclusion of all primary data to be collected as part of the project as well as for exploitation of existing secondary data sources. The program should seek to make the Data Bank a useable and accessible source of information.
8. Developing a training program aimed at providing basic computer skills to DSA and DSP employees from all offices to permit them to use the project's computer software packages (i.e., a training program for computer literacy throughout the project).

SCOPE OF WORK - AGRICULTURAL POLICY COORDINATOR

The Agricultural Policy Coordinator will work with and under the supervision of the Chief of Party and will have primary responsibility for project activities to promote the coordination of agricultural and transport policy and agricultural investment planning within the GOZ. In particular, the Agricultural Policy Coordinator will:

1. Help organize and institutionalize annual policy/planning conferences dealing with issues of agricultural and transportation policy and planning (and involving representatives from the private sector and from concerned ministries/offices within the public sector), and help assure preparation and distribution of conference reports.

2. Help identify (in consultation with the Chief of Party, the SEP Director, other MOA officials, and representatives from Plan, the Office des Routes, and other interested parties in the public and private sectors) questions of agricultural/transportation policy and planning to be addressed and analyzed in policy/planning papers prepared for the annual policy conferences.

3. Work with the Chiefs of the Agricultural Planning, Economic Analysis, and Projects Offices of DSP and their advisors (as appropriate) to produce the policy papers and other documents (analyses, reports) to be used for the annual policy/planning conferences.

4. Prepare (in consultation with the Chief of Party and the SEP Director) an annual work plan and budget for the policy coordination work, and monitor progress toward achievement of those work plans.

5. Help establish and maintain procedures for liaison between SEP and the Ministries of Plan and Public Works (Office des Routes), seek to identify and implement additional mechanisms (other than the policy conferences) to promote improved interdepartmental policy and planning coordination, and propose candidates from outside MOA for participant training.

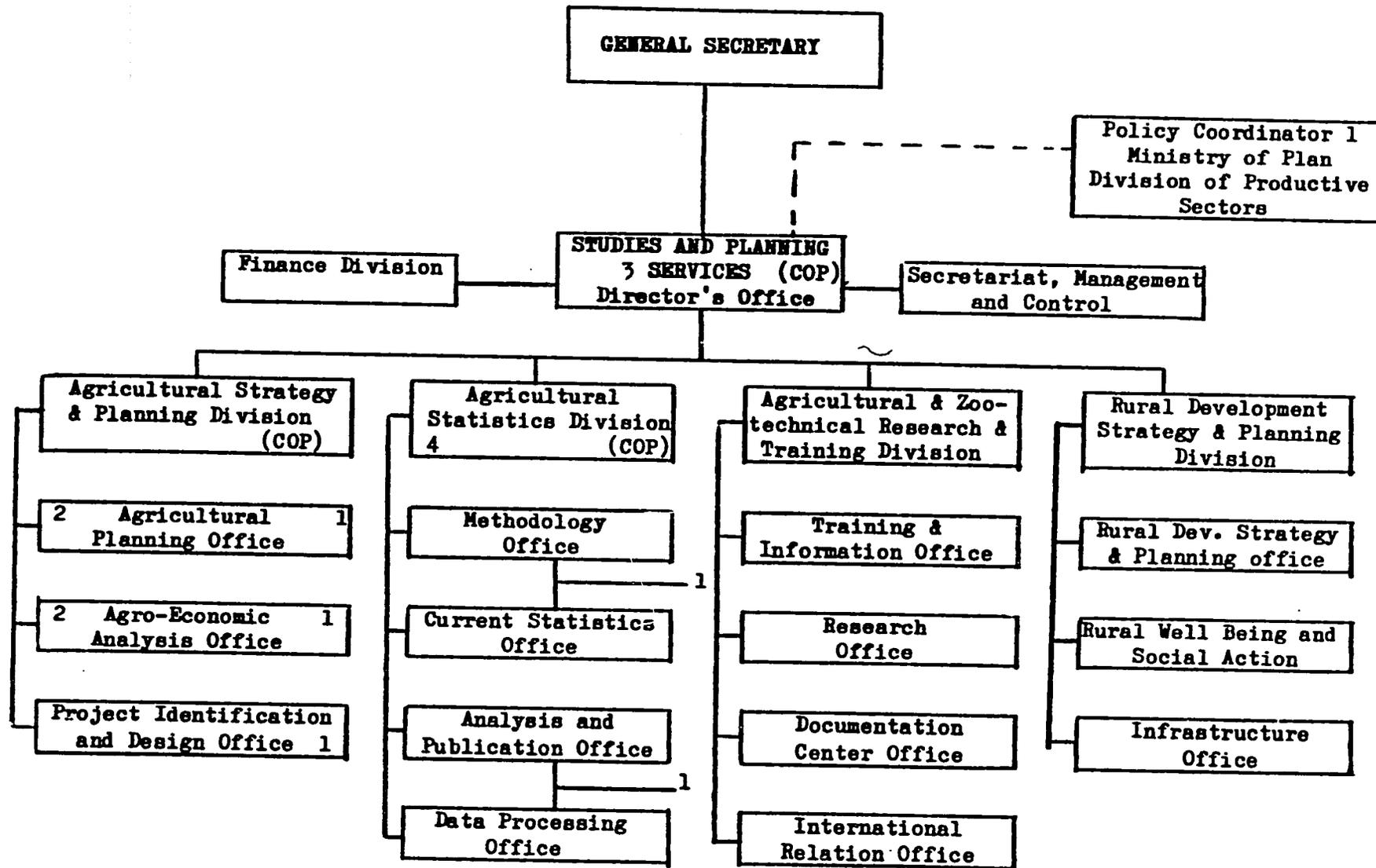
6. Work with the Chief of and the Advisor to the Agricultural Planning Office to develop a coordinated public investment program for the agricultural sector for the period immediately following that covered by the Five-Year Plan.

7. Provide input, as needed, on policy issues and analyses to be addressed in Master's thesis research.

8. Maintain and coordinate liaison between the APP Project and the Agricultural Policy Analysis Project (APAP) 936-4084 in areas of policy analysis, project evaluation and policy/planning conferences.

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**Annex 3:
ORGANIZATIONAL CHART FOR THE STUDIES AND
PLANNING SERVICE**



- (COP) Indicates the proposed counterparts to the Chief of Party for the Technical Assistance Team.
- (1) Indicates the proposed placement of a technical advisor under project 660-0119. Note that the four offices in the Division of Statistics will share two advisors as indicated.
- (2) Indicates current placement of a Belgian technical advisor.
- (3) Indicates current placement of a World Bank technical advisor.
- (4) Indicates current placement of a FAO technical advisor.

ANNEX 9: HOW 10 CENTS PER PERSON TRANSLATES TO A 10%
RATE OF RETURN FOR THE PROJECT

At the end of the project Zaire's population will be roughly 40 million. A permanent 10 cents increase in per-capita income would entail \$4 million in increased income every year forever (for simplicity, population growth will be ignored here). Since a permanent stream of \$X per year has a present value of $\frac{X}{i}$ at discount rate i , the increased

income has a present value of $\frac{\$40 \text{ million}}{0.10}$ dollars at a discount rate of 10%. But that present value is after 10 years of the project. As of the outset of the project the present value of \$40 million after 10 years is \$15.42 million ($\frac{40}{(1+.1)^{10}}$)

$$\frac{40}{(1+.1)^{10}}$$

If the estimated budget of \$24 million were spread out evenly across the ten years, the present value of the costs (10% discount rate) would be \$14.7 million. Allowing for the fact that project costs will be somewhat more heavily weighted at the outset of the project, raises somewhat the present value of those costs, but even with half the project costs allocated to the first four years the present value of the costs would rise to \$15.46 million. Since the present value of these costs (more or less) equals the present value of the benefits, the discount rate of 10 percent corresponds to the internal rate of return (alternatively, at discount rates lower than 10% the project has a positive net present value while at higher rates the net present value is negative).

I. Historical Perspective

USAID's active support to what is now the Service d'Etudes et Planification began in the 1970s under Project 052 (Agricultural Economic Development). The project envisioned three principal outputs: trained participants (graduate-level training was planned for more than 50 Zairian technicians from the Bureau d'Etudes and the Statistics Division); studies of Zaire's agricultural economy (to be carried out by trained participants with the assistance of a 5-member technical assistance team); and a well-functioning system of agricultural data collection and reporting (capable of providing reliable statistics and timely information to planners and policy-makers).

Only the first of these outputs was realized. For various reasons, actual person-months of technical assistance fell far short of planned assistance, and the latter two of the three main outputs suffered as a consequence. However, more than 50 technicians went to the U.S. for Master's-level training at various universities or for training at ISPC, the Census Bureau's Statistics training program.

In 1981 technical assistance to the Bureau d'Etudes and the Statistics Division began under Project 070 (Agricultural Sector Studies). The project's two principal objectives reflected the unattained outputs from Project 052: carrying out a series of studies of various sectors of Zaire's agricultural economy; and creating a well-functioning agricultural statistics system. During the past four and a half years Project 070 has carried out and published numerous studies, principally featuring a series of regional studies (for agricultural planning) and a series of commodity reports.

However, the agricultural statistics problem remains, and over the years Project 070 data collection activities have been increasingly concentrated in the Division of Strategy and Planning rather than in the Division of Agricultural Statistics. The Statistics Division has not published any statistical reports in the past few years, and apart from its computer office the division is largely underutilized and unproductive. The tasks of each office in the division are not well-defined. Shortcomings in the technical assistance of Project 070 to the Statistics Division have

1) This paper was submitted to the GOZ on January 3, 1986. The APP Project numbers presented herein may differ from those presently planned in the Project Paper.

contributed to the division's inability to find a feasible means of improving the agricultural statistics situation. A more important factor, however, is the disinterested leadership and poor management of the division. As various donors (FAO, World Bank) approach the division with funds for data collection efforts, all are welcome; but the lack of careful planning, of attention to methodological questions and logistical considerations, and of serious efforts at follow-up and quality control virtually guarantee an unsatisfactory product. If Project 119 is to continue USAID's institution-building and also progress to a higher level of quantitative sophistication and analysis, it will be necessary to have a well supported and functioning data collection Division at the Service d'Etudes.

II. Recent Events

The area of statistical data collection has received considerable attention in recent months by the Government of Zaire (GOZ) and major sector donors.

The Government of Zaire's Department of Agriculture has discussed the possibility of establishing a central statistics service which will eventually provide subject specific and time series data collection services to sector investors (bilateral donors, World Bank, GOZ, etc.). Many of these discussions have been initiated by donor concern that sector investments should not increase and will not improve without reliable basic sector statistics and a capacity to mobilize area specific collection efforts in a timely manner with published results.

Presently, the Division of Agricultural Statistics (DSA) of the Service d'Etudes et Planification is the focal point of donor efforts and assistance in the area of centralized primary data collection systems. However, recent evaluations of the two major projects in the DSA have resulted in very different programming decisions.

A recent FAO project evaluation of the Système Permanent de Collecte des Statistiques Agricoles has resulted in a decision to transfer the Project from the DSA directly to the Office of the Secrétaire Général. Though this decision appears to have been made for administrative reasons, given the continual need to have influence in the Regions concerning cooperation and support in project efforts, in reality, the present divisional management of DSA has not been able to produce expected results, and this appears to be a major factor contributing to the FAO's decision to move out of DSA. USAID also continues to consider terminating support to DSA if management and performance are not addressed in real terms in the near future.

USAID's Agricultural Sector Studies Project was evaluated in August-September, 1985. Numerous specific technical recommendations

were made with reference to DSA. Basically, the external evaluators recommended that USAID should expand managerial and technical support to DSA provided that such support be based on performance. These recommendations have been considered in the design process for the follow-on project proposed by USAID to continue the development of SEP as a viable planning and policy analysis service to the Government of Zaire. Although SEP will continue to need a data collection capacity, the present uncertainties surrounding DSA have caused considerable concern during recent efforts to elaborate a new intervention in support of the Division.

III. Future Directions/Interventions

USAID/Kinshasa has disbursed approximately \$100,000 since August, 1985 to elaborate a ten year successor project in support of the GOZ's efforts through the Service d'Etudes et Planification to coordinate sector plans and policies which will help to increase agricultural production and raise the standard of living of the rural population.

The preliminary design of the Agricultural Planning and Policy Analysis Project (APPAP) (660-0119) proposed training 25 Zairian participant trainees to the Master's level, providing an eight man technical assistance team for 45 man years of effort and provision of commodities. DSA's willingness and ability to provide the primary data collection needs of SEP offices was considered crucial to project success, but past performance has shown that the necessary willingness and ability either does not exist or has been poorly managed.

In this light, recent events and discussions have convinced USAID that the near future for agricultural data collection is sufficiently uncertain as to warrant a reduction in effort during the initial years of APPAP. The Project presently proposes to train 25 Zairian participant trainees, provide a six man assistance team for 36 man years of effort, and furnish commodities and counterpart fund support. The major portion of this reduction in funding (from 15 to 10 million US Dollars) has been in technical, financial and training support to DSA. The Project Design requires external evaluations to be conducted in years 2 and 4 in order to assess the performance of DSA if needed and follow developments in the Government of Zaire. However, concerning DSA, it is felt that concrete actions must be taken by the GOZ within the remaining nine months of Project 070 in order to merit any further assistance. APPAP will be designed to consider possible future expansion and/or redirection if warranted.

To promote project implementation and success, USAID has considered several different general strategies and numerous specific recommendations concerning DSA which are predicated on

upgraded divisional management. These recommendations are in the areas of donor collaboration, financial control, DSA's organizational structure, DSA job descriptions, revised salary structure and data collection methodology.

IV. Strategies and Recommendations Regarding Agricultural Data Collection

There are three different ways in which USAID can assist the Department of Agriculture in attacking Zaire's agricultural statistics problem:

1) Continued data collection activities to support the studies of the Division of Strategy and Planning. This intervention would focus on rehabilitating the Statistics Division, but only if actions are taken to deal with existing management problems. This approach requires the GOZ, in the near term, to rationalize the tasks of the Division's different offices, place dynamic leadership in the Division capable of managing the Division's work program and willing to work hard to insure the success of the program and perhaps a restructuring of the Division. USAID would then respond with technical assistance in the form of advisers experienced in agricultural data collection (who can work closely with technicians who have developed bad work habits), participant training (in part to replace the personnel trained under Project 052 who have long since left the Division), commodities and counterpart funds to support primary data collection.

2) Collaboration with and support to the FAO in its efforts to establish a "Permanent System of Data Collection." Over the years collaboration between the FAO and USAID projects operating at the Division of Statistics has been virtually nonexistent. In the past few months this situation has begun to change, and closer collaboration should continue. The FAO project provides a good test of the feasibility of large-scale regional data collection. USAID is in a position to provide financial support to the FAO project via counterpart funds and, thereby, receive access to the data collected. Such support could be used to pay for certain expenses (e.g., premiums) that FAO cannot finance, and would be extremely useful given the uncertainties and delays associated with Budget Ordinaire funds. If such financial support is given, however, controls on disbursement of funds will have to be instituted to insure appropriate safeguards. Also, USAID envisions financial support to be directly linked to performance on a discrete case by case basis (i.e. each portion of funds would only be released when appropriate results have been produced from previous funds). Implementation of this approach will require modifications in the proposed data collection methodology. This recommendation would also require institution of a system of financial control over expenditures of Zaires by the FAO project, since no control system whatsoever is in place at the present time.

3) Support to a DDA Central Statistics Service. In principle, USAID does not agree with the concept of a Central DDA Statistics Service in addition to a Statistics Division (or at least a Data Collection and Processing Office) at the Service d'Etudes. If, however, DSA cannot be properly staffed and motivated to perform, and subsequently disappears, USAID could participate in funding training, equipment, and technical assistance to such a service. It is premature at this point to speculate on the form that assistance might take or on its magnitude.

Overall, USAID prefers not to proliferate central statistical services in favor of a well managed and staffed DSA that can collect reliable data for the planning and policy needs of the GOZ while gradually being able to respond to specific requests from sector donors. During this process, reliable sector parameters and coefficients can be delineated to aid and guide sector investments.

Our preference is an attempt to rehabilitate the Statistics Division. First and foremost, radical improvement must be made in the management of the Division. Such improvement is absolutely necessary if the elements recommended to rehabilitate the Division are to have any chance of succeeding. Many projects and activities are initiated at the Division, but few are seen through to completion. Work programs are put together, but there are no serious and systematic efforts to see that these programs are carried out. Part-time management of the division is simply not adequate if one seeks to have a well functioning institution.

Other elements needed in the next nine months to rehabilitate the division and justify continued assistance are as follows:

1 - As proposed in the recent Project Evaluation, the tasks of each of the division's offices need to be clearly defined and spelled out. In addition, job descriptions for each of the technicians in each of the offices should be prepared. These activities might well result in a reorganization of the Statistics Division (see Annex A), and in a reduction of the size of the division (people are hired at the division without regard to work programs or what they will be doing, and there are a number of people at the division without university-level training);

2 - The Statistics Division must work to develop appropriate and feasible data collection methodologies. Much too little attention has been given to methodological and logistical considerations in recent years;

3 - Based on visible progress in the next nine months, USAID should provide technical assistance initially in the form of two advisers to DSA, with one of these individuals working with the two offices concerned with data collection and the other working with the computer office on data processing;

4 - USAID should finance participant training for technicians at DSA, in order to re-create a pool of trained technicians for the division. This training should be for technicians at both intermediate and higher levels within the division, with the latter individuals also receiving management training;

5 - The GOZ through SEP should propose and implement a salary structure that rewards data analysts commensurately with data collection technicians who earn per diem on field missions; and

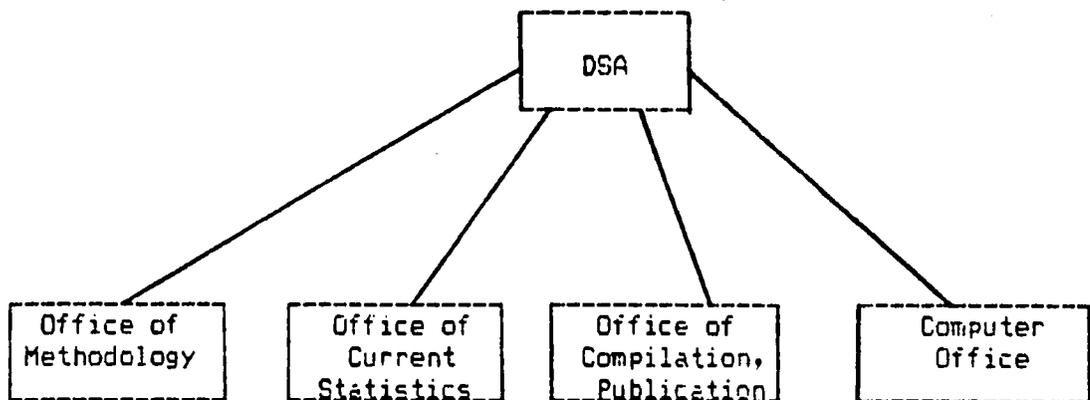
6 - A financial audit should be conducted of DSFA and DSA with appropriate controls instituted before the new technical assistance team is allowed to arrive.

If the elements above are put into place, and the division is provided with capable and dynamic leadership, then it is possible that the vision of a well functioning Statistics Division collaborating closely with the Division of Strategy and Planning (i.e., the vision first espoused in the OFE project paper) may at last be realized.

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Proposed Division of Labor and Possible
Restructuring of DSA

Present Organizational DSA



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A. Proposed Division of Labor by Bureaus

1. The Office of Methodology (BM) should concentrate on the definition of concept, the design of such survey implements as:

- the definition of the units of base (household, farm, notion of what constitutes an "active" farm worker, etc.);
- deriving standard units of measure for agricultural products;
- appropriate sampling schemes;
- questionnaire design;
- survey planning and budgeting.

2. The Office of Current Agricultural Statistics (BSC) should concentrate on:

- secondary data collection and cataloging;
- continuing the development of the Division Data Bank;
- participating in management and supervision of primary data collection; and
- training of enumerators.

3. The Office of Compilation and Publication (BC) should be concerned primarily with:

- performing the central data quality control function;
- disseminating data monographs (in printed form and on computer diskettes);
- collaborating with Division of Strategy and Planning (DSP) technicians concerning statistical analysis of data sets; and
- interpretation of computer generated data analysis.

4. The Computer Office should provide the following services:

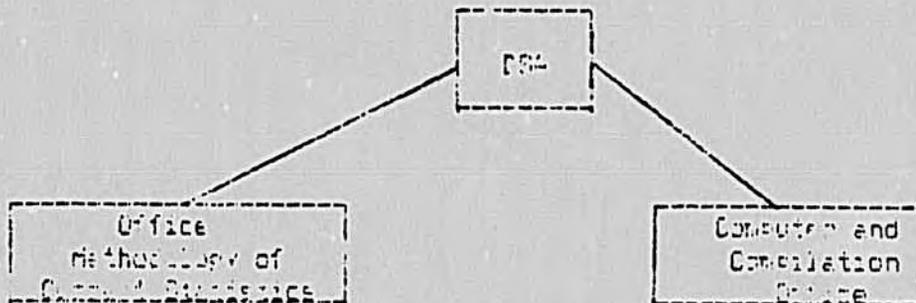
- data processing and analysis;
- data storage and retrieval;
- computer training for DSP technicians;
- expansion and updating of the computer data bank, and furnishing of printouts and data disks when needed; and

- assistance as needed in the design of survey instruments.

8. Possible Restructuring of DSA

USAF has recently funded a team to elaborate a future bilateral project to continue the development of PEF. This team took a good look at DSA, even though the DSA Division Chief happened to be out of town during this important activity. The team proposed to reduce the number of employees in DSA and concentrate activities into two offices. These offices may be in a DSA/AF or they may constitute a joint collection unit in DSA. It should be understood that these are the opinions of the Design Team and not necessarily the opinions of DSA.

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The basic tasks of the four offices as elaborated above would be consolidated as appropriate into two offices eliminating overlapping responsibilities and employees.

Best Available Document

ANNEX 11: "AGRICULTURAL STATISTICS SITUATION AND
PROJECT STRATEGY"

As mentioned throughout the Agricultural Policy and Planning Project Paper, the DSA has not produced desired results; and, three previous USAID project interventions have failed to establish a system of data collection through providing support to the Division. The poor leadership of DSA is dealt with in Annex 11. The issues to be dealt with in this annex are the dysfunctional division of labor between donors at DSA, and the problems encountered with overly ambitious data collection efforts.

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(1) Donor division of labor at DSA

At DSA, basic responsibility for data collection, processing, analysis and publication has been divided among the two major donors as follows:

FAO: Data collection

(Project ZAI/84/008/C/01/12)

AID: Data processing, analysis, and publication

(Project 660-0070).

However, data collection, processing, and analysis are integral components of one process. As they follow each other chronologically, they follow each other logically for any specific effort. This division of labor has put FAO and USAID in a position, i.e., if the process fails which it has, for each to shift the blame to the other or to the DSA.

During the design process for 660-0119 several major events occurred in the domaine of agricultural statistics collection in Zaire. One event was an evaluation of the FAO Project which resulted in the removal of said project from DSA, and its attachment directly to the General Secretary's Office of MOA. Thus a door has been opened for USAID to have much greater participation and control in the primary data collection efforts of DSA; therefore, the vagueness inherent in DSA due to the division of donor responsibility has begun to be clarified. The DSA and USAID have a very good opportunity to reorient divisional collection efforts.

1 "Options for Future USAID Support of Agricultural Statistics in Zaire"

James T. Riordan, Abt Associates, May 1984. AID/S&T, Agricultural Policy Analysis Project (936-4084).

Project 660-0119 intends to increase USAID involvement in actual primary data collection. The data collection strategy calls for a functioning DSA cooperating with DSP Technicians to design, execute, process and analyse sector data from small-scale subject specific surveys (further detail provided in Sections V.E.2. and VII.A.). Participating Divisions along with the technical contract team will use combinations of area and list frame sampling schemes to conduct all necessary survey work to enable completion of project outputs. The project's data collection operations will be centralized in Kinshasa and will use mobil survey teams to conduct the actual field work.

This is not to say that FAO does not have a role to play in Zaire's agricultural statistics domaine. The FAO has been given responsibility for establishing a permanent system of data collection on a regional basis for the entire country (Project ZAI/84/008). However, accomplishment of this task has been made difficult and complicated in several ways. FAO is providing the foreign exchange costs of technical assistance and commodities; but, they are dependant solely on the GOZ's Ordinary Budget for in-country operating costs which have been severely restricted due to successful compliance with recent IMF Standby Agreements. Also, past and present FAO collection efforts have been overly ambitious given MOA's known managerial, institutional and infrastructural deficiencies.

It should be noted that Project 660-0070 has recently taken modest concrete actions to collaborate in data collection efforts with the FAO Project on the local currency issue. Starting with Bandundu Region, the Agricultural Sector Studies Project has advanced DSA/FAO local currency needed to establish a regional office and to remunerate agents for the questionnaires from the first survey phase, thus giving FAO renewed hope and giving USAID access to any data collected in a geographical area of major program interest. It has also been agreed that bi-monthly meetings be held between FAO, USAID and DSA/SEP to coordinate data collection and analysis efforts in the agricultural sector. These meetings have begun.

APPP has been conditionally designed to increase technical, commodity and training support to DSA to institute a series of collaborative small-scale subject specific surveys and studies. This system should complement the FAO's permanent regional system. Both systems will be needed in SEP's future.

(2) Overly_ambitious_collection_efforts

As mentioned above, the FAO has in accordance with their espoused methodology proposed several data collection efforts and schemes which call for census type coverage of the targeted areas. USAID has also proposed grandiose schemes of data collection under previous projects

(national area frame sample developed, Project 660-0052). Very little reliable data has resulted from any of these efforts over the last 5 to 10 years.

These projects did not accurately assess the deficiencies stated earlier (poor management infrastructure and methodology). One must consider the poor state of communications and roads in this vast country when designing an appropriate survey methodology. Tremendous logistical problems await anyone attempting primary data collection in Zaire; therefore, project 119 has been designed in accordance with a small-scale list frame sampling methodology instead of an area frame, census type approach. Although, the project will attempt to finalize parts of the national area frame and use this tool to enhance list frame sampling, confidence intervals, and accuracy of aggregations.

Another methodological flaw in past collection exercises is the continued use of under qualified, under paid, and tax gathering extension agents to collect unrealistic quantities of data. FAO and DSA agents have made innumerable training missions to educate these agents in everything from questionnaire design to interviewing techniques. They then leave the enumerators to do the data collection. The agents are requested to mail back completed questionnaires. There is little and even suspect control during implementation and reporting which leads to considerable non-sampling error (it is reported that enumerators fill out questionnaires in hotel rooms and mail them in, and that even these numbers are changed by GOZ officials in the Regions to match quotas requested from Kinshasa, a well known practice in Zaire).

Generally in data collection there are two types of errors possible, sampling error and non-sampling error. Sampling error refers to the error that results solely from not having information on the entire population of interest (for example, people, farms, area planted in corn). Such error is quantifiable in the form of confidence intervals. Non-sampling error refers to error that results from not having perfectly accurate information on each of the members of the population of interest for which data are collected. Non-sampling error can result from such things as getting erroneous answers from interview respondents, errors in transcription of data anywhere along the line until recorded in final form, etc. Most importantly non-sampling error can not be quantified. If non-sampling error gets out of control, you will not know what data you have.(2)

The importance of non-sampling error is highlighted in an FAO report produced by Bill Wigton in 1984. I quote at some length:(3)

"It is interesting to note that as the sample size increases, sampling errors decrease, but the non-sampling errors usually increase... There is a point at which data collection can be managed reasonably well. After that point, interview quality decreases and gradually

2 I bid, P. 5

3 I bid, P. 6

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In an effort to address these persistent methodological problems, the Agricultural Sector Studies Project (640-0070) initiated the Southern Band Survey (SBS) in October of 1985. This small-scale pilot survey is designed to cover Zaire's Southern Five Regions. -- Shaba, Kasai Oriental, Kasai Occidental, Bandundu and Bas Zaire. It will be conducted in two phases in order to cover the two growing seasons. The first survey phase has been completed, and results will be reported soon.

SBS is designed to use a random list frame sampling of 240 farm households. The questionnaire is fairly simple and concentrates on basic verifiable demographic information and area planted. The second phase will attempt to estimate yields. Planning for the effort including a logistics mission to verify locations and lists. Control missions have been scheduled and supervision of enumerators has been performed at each stage. Training sessions have been built-into design with a major USDA/OICD short-course on Agricultural Statistical Methods planned for spring, 1986. The DSA has been too busy to participate in the first phase just completed but will be included in the second.

The initial appraisals of the methodology and the involvement of analyst and technicians in actual data collection have been very favorable on all parts. The logistical missions have proven extremely useful.

For all of the reasons cited above, the Agricultural Policy and Planning Project has been designed to limit its initial data collection efforts to small well focused surveys. The emphasis will be on the reliability and relevance of the obtained data. Surveys undertaken will concentrate on specific commodities, geographic areas, policy questions, etc so as to maximize the chances of obtaining pertinent timely data. Surveys will be carefully coordinated so as to ensure the complementarity of the data obtained.

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