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memorandum

DATE: July 6, 1990

REPLY TO
ATTN OF: David S. Gardella, ARD

SUBJECT: Project Assistance Completion Report
Rural Development Management Project (517-0125).

TO: Memorandum to the File

This report documents the final status of the subject project as of the Project Assistance Completion Date (PACD), December 31, 1988.

Brief Project History:

The Rural Development Management Project was authorized on June 30, 1981 with a 4-year, US\$1,600,000 life of project funding level. The Grant Agreement was signed with the Superior Institute for Agriculture (ISA) on June 30, 1981 obligating a total of US\$250,000, and was subsequently amended on four occasions (12/15/81, 2/3/83, 6/29/83, and 12/31/85) to obligate the remaining US\$1,600,000 authorized for the project. The PACD was originally established as June 30, 1985, and was extended twice to December 31, 1988.

The goal of the project was: to improve the income and quality of life of the Dominican Republic's rural poor, through increased agricultural productivity. The project's sub-goal was to increase the capacity of both public and private agricultural sector agencies to manage the financial, human, and material resources allocated for rural development. This was to be achieved by: (1) improving the management capabilities of top-level officials responsible for planning and policy; (2) providing in-depth management training concerned with specific crops; and (3) addressing the needs of mid-level management through a broader based management program. The project purpose was: to establish an institutional capability to provide in-service, in-country training opportunities to upgrade management skills of public and private officials working in the area of rural development.

The implementing agency for the project was the Superior Institute of Agriculture (ISA) located in Santiago. A Center for Administration of Rural Development (CADER) was established at ISA to manage the training program. Originally, the Project was to establish the following training programs:

Symposia for Policy-Makers: A symposia program was established to provide a forum for top-level administrators of the agricultural sector, to explore and exchange ideas regarding strategies for the acceleration of rural development. It was also to serve to open lines of communication among the participant policy makers, private sector leaders, and the professional staff of CADER.

Management Development Program: The objective of this program was to augment the administrative capacities of persons in decision-making positions within the agricultural sector at the local, regional and national levels, including small farmers and farm managers.

Diploma Program in Agricultural Management and Production: The objective of this program was to increase the managerial capabilities of the mid-level professional, who has an exceptional record of performance. The program was to teach participants methods of: (a) assisting farmers in solving problems; (b) managing resources and rural development activities; (c) solving basic technical and socio-economic problems; and (d) identifying his/her role in the national development process.

Based on the results of a mid-term project evaluation, the project agreement was amended on December 31, 1985 and the following additional project activities were established:

Short Courses in Management Skills: This training program replaced the Diploma Program in Agricultural Management and Production. The short courses were designed to be intensive training events directed at managers in agribusiness firms or commercial farming enterprises, and based on case materials and teaching methods already in use at CADER. The courses focused on such topics as strategic planning, personnel selection, quality control, computer applications, and international marketing.

Consulting and Contract Research: To contribute to CADER's financial self-sufficiency, the Center conducted contracted feasibility studies and rapid information assembly efforts, and provided short-term consultancies.

Information Services: A computerized data base was established to assemble for quick retrieval much of the information CADER had collected about agriculture and agribusiness in the Dominican Republic, agro-economic data, and information about foreign markets. The information base also included case studies, business and agricultural texts, studies and periodicals, and access to materials in the agricultural library of ISA.

Facilities Rental: ISA constructed dormitories to house 88 resident persons, or 160 commuting conferees. The facilities are also available for association conferences and international seminars. CADER charges competitive market rates for the use of the facilities.

Delivery of Project Inputs:

The Rural Development Management Project consisted of the following elements:

Technical Assistance: CADER received a total of 42 short and medium-term technical consultancies during the life of the project. The technical assistance was utilized in the preparation of various studies, to organize seminars and other training activities, and to institutionally strengthen CADER. A total of \$996,141 was expended for technical assistance.

Equipment Procurement: The project financed the purchase of office furniture and equipment (\$149,910), computer equipment (\$79,939), an electrical generator (\$16,200) and miscellaneous training materials and texts (\$6,000). A total of \$252,049 was expended for equipment.

Staff Training: A total of 37 short and long-term staff training participants were financed by the project for courses in agribusiness management and production technology and other areas. A total of 5 observational training trips were also financed. A total of \$214,829 was expended for training of CADER staff.

Administration: A total of \$11,906 was expended for administrative costs.

Evaluations: Although project funds were budgeted for evaluations and a mid-term evaluation was conducted in 1985, no project funds were expended for this purpose.

During the life of the project, a total of \$1,474,925 was expended for project activities. At the end of the project a total of \$125,075 remained unexpended, which was subsequently deobligated.

Counterpart Contributions:

The counterpart requirement was originally established at the peso equivalent of US\$3,757,000 and was subsequently increased to an equivalent of US\$4,290,000, and later decreased to RD\$4,500,000 (Dominican pesos). Counterpart funds were budgeted for direct costs, operations and maintenance, capital investments in plant and equipment, administrative costs, evaluation, and for inflation and contingencies. The last report of counterpart expenditures, contained in the final semester report, shows that the entire amount of counterpart was provided prior to the end of the project.

Project Accomplishments (EOPS Outputs):

The following table shows the status of the various EOPS outputs at the end of the project:

	<u>Planned:</u>	<u>Actual:</u>
I. TRAINING SERVICES		
A. Five-week Management Courses		
Number of events	20	19
Number of participants	1,100	597
B. Short Courses		
Number of events	27	54
Number of participants	675	1,993
C. Seminars		
Number of events	25	41
Number of participants	1,190	2,621
D. Preparation of Case Studies	118	177
II. CONSULTING STUDIES:		
Number of Contracts	8	17
Gross Sales (RD\$000)	160	375

III. INFORMATION SERVICES:	<u>Planned:</u>	<u>Actual:</u>
Gross Sales (RD\$000)	13	4
IV. FACILITIES RENTAL:		
Gross Sales (RD\$000)	85	168

Progress Towards Achievement of Project Purpose:

The original project purpose of establishing an institutional capability to provide in-service, in-country training opportunities to upgrade skills of public and private officials working in the area of rural development was amply achieved. At the end of the project, EOPS outputs had been exceeded by more than 30% in most cases.

Project Design Recommendations:

Recommendations for project design modifications were developed during the design of the University Agribusiness Partnership Project (517-0243).

Requirement for Continued Monitoring:

There is no requirement for continued monitoring of project activities since all such activities have either terminated or have been continued under the University Agribusiness Partnership Project.

Requirement for Further Data Analysis or Evaluation:

Since all project activities have terminated or have been continued under the University Agribusiness Partnership Project, there is no further requirement for data analysis or evaluation.

Summary of Lessons Learned:

At the request of ISA's founders and governing association, CADER was established within ISA to address several of the rural sector's most pressing needs. To achieve the ambitious set of objectives, highly trained professionals were recruited from among the DR's leading financial and agribusiness concerns to staff the Center. Salary offers almost double the existing ISA faculty levels were required to attract top echelon personnel. However, resistance from among the ISA faculty (many of whom had obtained MS and PhD degrees) forced the university administration to subsequently renegotiate CADER salaries at lower levels. ISA faculty also resented the abundance of project funded prerequisites afforded the CADER staff. Eventually, the dynamic and most effective CADER faculty members returned to the private sector, where they have achieved positions of distinction and influence.

Both ISA and USAID learned that the insertion of a special, outside funded activity into an established institution must address not only the specific project directed goals, but also the context and needs of the institutional matrix into which the project is embedded.

Clearances:

ARD:KWiegand 16W date: 6/13/90

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CONT:KLeBlanc Cmc date: 7/2/90

DIR:RFRifenburg MM date: 7/31/90

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