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**MISSION FOR PAKISTAN AND AFGHANISTAN**

**PROJECT ASSISTANCE COMPLETION REPORT  
Food Security Management  
(391-0491)**

**Submitted by Agriculture and Rural Development Division**

**January 31, 1994**

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**I. BASIC PROJECT DATA**

Project Title:	Food Security Management
Project Number:	391-0491
Date Authorized:	May 16, 1984
Date Agreement Signed:	August 27, 1984
Amount Authorized:	\$35,000,000
Amount Obligated:	\$35,000,000
Amount Deobligated under Pressler:	\$ 500,000
Amount Deobligated after PACD:	\$ 1,721,549
Current Obligation:	\$32,778,451
Amount Expended (as of 2/3/94):	\$32,696,452
Project Assistance Completion	
Date (PACD):	
Original:	June 30, 1989
Revised:	June 30, 1991

**Grantee's Authorized Representatives:**

Principal:	Secretary, Joint Secretary, and Deputy Secretary, Economic Affairs Division (EAD), Government of Pakistan (GOP), Islamabad
Additional:	<ol style="list-style-type: none"> <li>1. Mr. Mohammed Bashir, Joint Secretary, Ministry of Food, Agriculture &amp; Cooperatives (MINFA), GOP, Islamabad</li> <li>2. Dr. A.H. Maan, Director, Economic Analysis Network (EAN), MINFA, GOP, Islamabad</li> <li>3. Mr. S.M. Ishaque, Director General, Federal Bureau of Statistics (FBS), GOP, Islamabad</li> </ol>

**Implementing Agencies**

1. Ministry of Food, Agriculture and Cooperatives, Govt of Pakistan, Islamabad
2. Federal Bureau of Statistics, Government of Pakistan, Islamabad
3. University of Agriculture, Faisalabad

4. All the four Provincial Food Departments
5. All the four Provincial Agriculture Departments
6. Survey of Pakistan, Government of Pakistan, Rawalpindi

USAID Project Officers

1. Dr. Zakir Hussain - EPA and PHM Components
2. Jalil Ahmed - ADC Component

**II. THE PROJECT GOAL AND PURPOSE:**

**Goal:** The overall project goal was to assist the Government of Pakistan (GOP) to achieve its food security objectives in a manner consistent with the rational and efficient use of national resources, the overall economic development of the country, and an improved standard of living for farm families and the population at large.

**Purpose:** The purpose of the Project was to improve the analytical and policy formulation framework, the managerial capabilities, and the physical capacity of the GOP to manage the national food security system effectively and efficiently.

**III. PROJECT COMPONENTS:**

The project had three major components: (1) Economic and Policy Analysis (EPA); (2) Agricultural Data Collection (ADC); and (3) Post-Harvest Management (PHM). These components were premised on recognition of three critical requirements to food security in the context of Pakistan. First, the policy set chosen to achieve food security objectives should be based on careful and well-directed analysis of the issues (EPA component). Second, the decisions must be based on reliable information on crop production every year, the basis of farmers' decisions on production of strategic foods, and stocks in each part of the system (ADC component). Third, decision makers must be able to rely on a system for collecting, transporting, storing, and delivering grain to the ultimate users at a reasonable cost with minimal quantitative and qualitative losses (PHM component).

**IV. SERVICES AND GOODS PROVIDED BY USAID**

**A. A.I.D.**

(1) <u>Commodities</u>	<u>9,024,911</u>
a. FSM Project	4,206,778
Bulk Wheat Handling Equipment	1,342,801

SPOT Imagery	288,068
Frame Construction, Lab, and Training Equipment	540,000
Computers	542,096
Vehicles/Motor Cycles	814,377
Research and Field Equipment	91,042
Office Equipment, Supplies etc.	280,987
Household Equipment, Furniture, etc.	307,407
<b>b. Agricultural Commodities and Equipment Program (391-0468)</b>	<b>4,388,133</b>
Computers for Economic Research Institutes	410,220
Mini Computers for Modernizing Data Management in the Federal Bureau of Statistics	3,977,913

**(2) Technical Assistance**

Project implementation activities were contracted to U. S. Department of Agriculture(USDA)/Denver Wildlife Research Center (DWRC); USDA/National Agricultural Statistics Service (NASS); Chemonics International Consulting Division; International Food Policy Research Institute (IFPRI); Food and Feed Grain Institute (FFGI)/Kansas State University (KSU); and Experience Incorporated (EI), which provided professional inputs to the project as detailed below:

<u>Component</u>	<u>Person-months</u>
(a) Agricultural Data Collection:	294
Long-Term	96
Short-Term	60
Local professionals	138

(b) Post Harvest Management:	1,072
STDT	822
Long-Term	123
Short-Term	89
Local professionals	610
VPC	122
Long-Term	45
Short-Term	11
Local professionals	66
Storage Rehabilitation	128
Short-Term	30
Local professionals	98
(c) Economic and Policy Analysis:	1,442
Economic Analysis Network	1,113
Long-Term	96
Short-Term	77
Local professionals	940
Special Studies Program	329
Short-Term	196
Local professionals	133
(3) <u>Funding</u>	<u>(US \$)</u>
Technical Assistance	12,355,382
Training	3,468,562
Commodities	4,206,776
Other Costs	5,342,813
Economic & Policy Studies	908,483
Storage & Rehabilitation	6,340,199
Evaluation	<u>156,236</u>
Total:	<u>32,778,451</u>
B. GOP contribution (estimated):	4,500,000

**V. PROJECT ACCOMPLISHMENTS****A. Economic and Policy Analysis (EPA):****(1) Economic Analysis Network (EAN)**

The purpose of this sub-component was established to identify and prioritize policy issues, evolve an operational agenda for research and analyses, carry out studies, and then translate findings and recommendations into policy measures. To accomplish this objective, the EAN was established in 1989 with 449 professionals from approximately 22 public and private organizations involved in the agricultural policy process. This broad membership increased communication and cooperation among a variety of individuals and organizations involved in the policy process. Subsequently, an Economic Wing within the MINFA was formed in July 1990 by merging the Planning Unit of MINFA and the Directorate of the Economic and Policy Analysis Project. The Wing has a staff of 36 professionals and administrative personnel. The EAN sub-component was implemented through a long-term technical assistance team of Chemonics International. Short and long term training in computer skills and economic and policy-making methods was provided both to EAN member institutions and the Economic Wing. In addition, 41 computers and associated hardware and software were provided and are in use by universities, research institutes, and government offices that form the Network. The major output was an ongoing economic and policy analysis program. The EAN sub-component has been exceptionally successful in its publication program. In total, 26 major publications and a number of additional reports were produced, far exceeding the planned output.

This sub-component was continued under Agricultural Sector Support Program (ASSP). Chemonics International, the FSM contracting firm, was selected to continue its technical assistance support to the Economic Wing.

**(2) Special Studies Program (SSP)**

This sub-component was designed to conduct policy analysis on selected topics by the International Food Policy Research Institute (IFPRI) in collaboration with Pakistani researchers. The number of studies considerably exceeded the planned list for the life of project. Several of these studies and reports, together with associated workshops and policy dialogue, have been instrumental in changing the direction of the policy focus in Pakistan agriculture. During the period 1987-1991, SSP sub-component produced eight (8) special studies. Most of the studies were policy related and brought changes. One of the studies reinforced the rural development concept and strategies and has influenced policies on education, infrastructure, health, and

credit in rural areas. A second study on rural credit provided verification that subsidized institutional credit was not reaching the small farmer, particularly in Sindh and Balochistan. Another was a benchmark survey to assess the impact of mark-up free credit and an alternative mark-up of 7 percent. One example of the studies' impact on policy change is the abolishment of wheat rationing system following a report on the system. Another study on storage scuttled a \$30 million Asian Development Bank project for new public sector godowns.

#### B. Agricultural Data Collection (ADC)

This component was designed to improve the system for collection of basic agricultural data, using Area Sample Frame (ASF) methodology developed by the USDA/SRS, to make it more reliable, timely and cost effective. By the end of the project in 1991, Area Sampling Frame (ASF) methodology was successfully implemented in seven districts to produce acreage and yield estimates for five major crops (wheat, cotton, rice, corn, and sugarcane). Another significant achievement of this component was the institutional development of ADC cell within the Federal Bureau of Statistics (FBS) which is now capable of implementing ASF design independently at national level. At provincial levels, the ADC project offices were adequately equipped with data processing facilities and the project related field force and supervisors were properly trained through periodic training schools, foreign training programs, locally arranged workshops and periodic pre-survey training schools.

The first phase of the component was completed in June 1990 under FSM project. The second phase, for a nation-wide survey, was extended under the ASSP starting July, 1990, which is implemented with the auspices of USDA.

#### C. Post-Harvest Management (PHM)

##### (1) Storage Technology Development and Transfer (STDT)

The purpose of this sub-component was to provide the human resource base necessary for improvement of the management and operation of grain storage facilities and to identify and apply more effective and safer technologies for pest control. One of the most impressive results of this sub-component was its training programs. In total, 1,885 individuals got 6,781 person-days of formal training in the STDT's Lahore Training Center. This was the first ever education in modern storage techniques offered to provincial Food Departments and PASSCO. Private-sector flour millers also received training in this area. Technicians and managers now have the capability to reduce physical losses of wheat in storage and keep a better quality of wheat -- hence, better quality flour. Additionally, 54 individuals completed 58.5

person-months of overseas training, in addition to three degree programs. Through the STDT Lahore Training Center, a number of publications on pest control, storage operation, maintenance, and inspection and godown management were published and disseminated in Urdu. The center also trained operators and managers for the storage facilities built by the World Bank project. A major publication by the Training Center on "fair average quality (FAQ)" procurement procedures and "no loss policy" provided the GOP with the information needed to make policy decisions concerning the procurement and storage of wheat.

Another major activity initiated under the STDT sub-component was design and installation of bulk handling equipment for demonstration of its feasibility. This activity was continued under the Agricultural Sector Support Program.

### (2) Vertebrate Pest Control (VPC)

This sub-component was designed to test improved storage technologies for integrated pest management, control of insect pests, vertebrate pest control, pesticide safety through applied research and training. VPC unit trained 2040 persons in pest management at Pest Management Institute, Karachi and National Agricultural Research Center, Islamabad. The unit also helped the Zoology Department of the University of Agriculture, Faisalabad to improve their degree program in pest management. Till the completion of the activity 31 graduates benefitted from the improved syllabus.

Pre-harvest vertebrate pest management applied research was also carried out to show the amount of damage vertebrate pests were causing to wheat, maize, sugarcane, and groundnut crops and how it could be controlled. VPC disseminated educational information through brochures, technical reports, research publications, training manuals, handbooks, posters and video cassettes. It also developed training material including video cassettes, color slide sets, audio cassettes and a photo-illustrated women's manual was developed. Training was provided to 215 women in preparation and use of rodenticide.

### (3) Storage Rehabilitation

This sub-component envisaged rehabilitation of 735,300 metric tons of storage capacity which was 75 percent of the over five years old grain godowns. A mixture of steep cost escalations and depreciation of rupee resulted in rehabilitation of 578,900 tons of wheat storage capacity. The cost of rehabilitation has been Rs.293 per ton of storage capacity as compared to a new construction cost of Rs.1,193-1,740 per ton for the same type facility, or approximately one-fourth the new cost. The establishment of a tripartite agreement on recurring costs for repair and maintenance of godowns between MINFA, provincial Food

Departments, and PASSCO was a major achievement under the Storage Rehabilitation sub-component.

#### **VI. LESSONS LEARNED**

- o Projects focused on policy change generally take longer to mature and achieve results. A slow start-up for such projects is not uncommon, with major adjustments often needed. Project design should permit flexibility to adjust during implementation.
- o Reliable and timely data is essential for improved policy decision-making.
- o Successful economic and policy analysis units must establish effective vertical linkages to coordinate with policy-makers. It is also necessary to establish horizontal working relationships with complementary economic and technical organizations.
- o When designing projects, consideration should be given to continued training.
- o The success of the grain-storage component demonstrated the feasibility of rehabilitating existing storage facilities rather than constructing new ones.

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