



U.S. AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT

PD-ABL-114  
94793

RECEIVED

MAY 24 1993

Sean Callahan  
Catholic Relief Services  
209 West Fayette Street  
Baltimore, MD 21201-3443

CATHOLIC RELIEF SERVICES  
PROJECT MANAGEMENT

Subject: GRANT No. AOT-1007-G-00-3067-00

Dear Mr. Callahan:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby provides to Catholic Relief Services (hereinafter referred to as "CRS" or "Grantee"), the sum of Two Hundred Ninty Three Thousand, Six Hundred and Twenty Eight Dollars (\$293,628.00) to provide seed distribution in Eritrea, Ethiopia. The program shall be as more fully described in Attachment No. 1 of the Grant entitled "Schedule" and the Grantee's application entitled "Eritrea Seed Distribution" dated January 15, 1993, incorporated herein by reference.

This Grant is effective and obligation is made as of the date of this cover letter and shall apply to commitments and expenditures made and/or incurred by the Grantee in furtherance of the project objectives during the period March 14, 1993 through March 15, 1994.

This Grant is made to the Grantee on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment No. 1, the Schedule; Attachment No. 2, Mandatory Standard Provisions; Attachment No. 3, Optional Standard Provisions; and the Grantee's proposal/application entitled "Eritrea Seed Distribution", dated January 15, 1993, which have been agreed to by your organization.

The total estimated amount of AID support is \$293,628.00, which is hereby obligated. AID shall not be liable for reimbursing the Grantee for any costs in excess of the obligated amount.

Please acknowledge receipt of this Grant by signing all copies of this cover letter, retaining one set for your files, and return the remaining copies to Ms. Amanda Downing, Agency for International Development, OFDA/OS, Room 1262A NS, Washington, D.C. 20523-0008.

Sincerely,

  
Sharon L. Zavestoski  
Grant Officer  
A Division, AOT Branch  
Office of Procurement

Attachments:

1. Schedule
- ~~2. Mandatory Standard Provisions~~
- ~~3. Optional Standard Provisions~~

ACKNOWLEDGED:

**CATHOLIC RELIEF SERVICES**

BY: Valarie L. Barksdale

TYPED NAME: Valarie L. Barksdale

TITLE: Public Donor Liaison

DATE: June 7, 1993

FISCAL DATA

PIO/T No.	:968-1007-93-69-3684940
Appropriation No.	:72-11X1040
Budget Plan Code	:EADX-93-16830-IG41
Total Estimated Cost	:\$293,628
Total Obligated Amount	:\$293,628
Project Officer	:Polly Byers/OFDA/DRD
CEC	:068205541
TIN	:13-5563422

SCHEDULE

A. BACKGROUND

After years of drought and civil war, most farmers in Eritrea have completely depleted their resources. Traditional coping mechanisms, such as selling firewood, have added to further degradation of the soil. Since 1988, the Eritrean Catholic Secretariate (ECS/A) has been actively assisting Eritrean farmers to reestablish their lives through the distribution of seeds. With the end of the civil war, increased security and the reactivation of the Eritrean economy should stimulate the agricultural sector. However, due to the vastness of the need and devastation, the process of assisting Eritrean farmers to attain food self-sufficiency will be slow.

B. PURPOSE OF GRANT

1. OBJECTIVE

The goal of this project is to increase the farmer's ability to attain food self sufficiency in the areas targeted by the project. The objective of this project is to provide 600MT of essential seed to 46,000 needy farmers in Eritrea in the two 1993 planting seasons.

2. SCOPE OF SCOPE

- ECS/A will purchase and deliver 600MT of seeds to needy farmers.
- ECS/A will use its field storage capacity to keep locally purchased seed as close to its distribution area as possible.
- The seed will be distributed by ECS/A staff in a cooperative effort between the MOA and ECS/A.
- ECS/A will transport the seed from the local markets to its local storage facilities and then, at the appropriate time, from storage to the beneficiaries.

C. PERIOD OF GRANT

1. The effective date of this grant is the date on the Grant Cover Letter and the Completion Date is March 15, 1994.
2. Funds obligated hereunder are available for expenditures for the period March 14, 1993 through March 15, 1994.

D. AMOUNT OF GRANT AND PAYMENT

1. the total amount of this Grant for the period shown in Section C.1. above, is \$293,628.00

2. A.I.D. hereby obligates the amount of \$293,628.00 for project expenditures during the period set forth in Section C.2. above, and as shown in the Grant Budget in Section E.

3. Payment will be made to the Grantee in accordance with procedures set forth in Attachment 3 - Additional Standard Provision No. 1 entitled "Letter of Credit".

a. The Grantee shall submit the required documentation to the following address:

Agency for International Development  
Office of Financial Management (FA/FM/CMP/CGLC)  
Room 703, SA-2  
Washington, DC 20523-0209

b. In addition, one copy of all financial reports shall be submitted to the A.I.D. Project Officer, Polly Byers or her designee, at the following address:

Polly Byers  
FHA/OFDA/DRD  
Room 1262A NS  
Washington, DC 20523-0008

E. GRANT BUDGET

The following is the budget for this Grant. The Grantee may not exceed the total obligated amount. The Grantee may adjust line item amounts within the grand total as may be reasonably necessary for the attainment of project objectives, consistent with restrictions cited in Attachment 2 - Standard Provision No. 4 of this Grant entitled "Revision of Grant Budget".

BUDGET

<u>Line Items</u>	<u>QTY</u>	<u>UNIT PRICE</u>	<u>TOTAL</u>
Barley	220MT	\$320.00pmt	\$ 70,400
Sorghum	80MT	292.50pmt	23,400
Pearl Millet	90MT	440.00pmt	39,600
Maize	170MT	317.64pmt	54,000
Teff	20MT	560.00pmt	11,200
Finger Millet	20MT	400.00pmt	8,000
<hr/> Sub. Total			\$ 206,600

Inland Trans.	600MT	30.40pmt	18,240
Loading/Unloading	600MT	5.00pmt	3,000
Office Expense			200
Travel Expense			3,000
Project Eval.			5,700
Audit			2,000
Vehicle Expense			800
<hr/>			
Total Direct Cost			\$ 239,540
O/H @ 22.58%			54,088
<hr/>			
Total Est. Cost			\$ 293,628

F. REPORTING

1. Financial Reporting

a. Financial reporting requirements shall be in accordance with the Additional Standard Provisions No. 1 of this Grant entitled "Payment - Letter of Credit", as shown in attachment No. 3.

b. The original and two copies of all financial reports (Financial Status Report - Form 269) shall be submitted to the Office of Financial Management, whose address is listed in Section D.3.a. of this Schedule.

c. In addition, two copies of all financial reports shall be submitted to OFDA, Rm 1262A NS, Washington, DC 20523-0008, one copy for the Project Officer, Polly Byers, and one copy for the Operations Support Division, Amanda Downing.

d. Each financial report shall include:

PIO/T	:968-1007-93-69-3684940
Project No.	:968-1007
Project Name	ETHIOPIA: CRS Emergency Seed Distribution in Eritrea, Ethiopia
Grant No.	:AOT-1007-G-00-3067-00
Project Officer	:Polly Byers

2. Program Evaluation Reporting

The Grantee shall submit a mid-term and a final report. The reports should document progress vis-a-vis program objectives, problems encountered, corrective procedures that were followed, significant program development during the period and projected accomplishments for the coming quarter. Analysis and explanation of actual unit costs versus budgeted costs should also be included here. Two (2) copies of each program performance report should be submitted to OFDA. The final report should be received by OFDA no later than 90 days after completion of the project.

G. INDIRECT COST RATE

Pursuant to the Additional Standard Provisions of this Grant entitled "Negotiated Indirect Cost Rates -- Provisional", a rate or rates shall be established for each of the Grantee's accounting periods which apply to this Grant. Pending establishment of revised provisional or final indirect cost rates for each of the Grantee's accounting periods which apply to this Grant, provisional payments on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rate applied to the base, which is set forth below:

<u>TYPE</u>	<u>RATE</u>	<u>BASE</u>	<u>PERIOD</u>
Provisional	22.58%	Total Direct Cost*	1-1-90 until amended

\*Total direct costs less commodities, ocean freight, equipment, construction, alterations and renovations.

Should final rates result in upward adjustments, payment of such upward adjustments would only be allowable within the total obligated amount of the Grant.

H. SPECIAL PROVISIONS

1. Due to the emergency nature of the program and the need to respond quickly to changing situations and pursuant to Section 491 of the FAA, as amended, the geographic code for procurement of goods and services is authorized as "935" (Special Free World) including the Host Country.

2. Delivery of Notices. For purposes of "Notices" delivered to the A.I.D. Grant Officer, pursuant to the Standard Provision 13 of this Grant entitled "Notices", the following address shall be used:

a. Regular U.S. Mail

Grant Officer  
Agency for International Development  
Office of Procurement  
Division A - AOT Branch  
Washington, DC 20523-1425

b. Express Mail or Hand Delivery

Grant Officer  
Agency for International Development  
Office of Procurement  
Division A - AOT Branch  
15th Floor Receptionist  
1100 Wilson Blvd.  
Arlington, VA 22209

3. Zip Codes. Use the following nine-digit zip codes instead of the five digit codes shown in the Standard Provisions and Additional Standard Provisions.

<u>Standard Provision</u>	<u>Zip Code</u>
Disputes Clause	20523-0051
Payment - Letter of Credit	20523-0209
Procurement of Goods and Services	20523-1414

(END OF SCHEDULE)

PROJECT IMPLEMENTATION ORDER/TECHNICAL SERVICES (PIO/T)\*

1. Cooperating Country <b>ETHIOPIA</b>	2. PIO/T No. 968-1007-93-69-3684940	3. PIO/T Amend No. Original
4. Project/Activity No. and Title <b>ETHIOPIA: CRS Emergency Seed Distribution in Eritrea, Ethiopia.</b>	5. Appropriation Symbol(s) 72-11X1040	6. Budget Plan Code(s) EADX-93-16830-IG41
7. Pro Ag No. or Project Authorization Date	8. Obligation Status <input checked="" type="checkbox"/> Administrative Reservation <input type="checkbox"/> Implementing Document	
9. Project Assistance Completion Date (Month, Day, Year) <b>March 14, 1994</b>	10. Authorized Agent <b>FA/OP/AOT</b>	
11. Type of Action and Governing A.I.D. Handbook A. A.I.D. Contract (HB14)                      C. PASA/RSSA (HB 12) B. A.I.D. Grant or Cooperative Agreement (HB 13)                      D. Other	12. Contract/Grant/Cooperative Agreement/ Reference Number (if this PIO/T is for an order or a modification to an award)	

13. A.I.D. Funding (Attach a detailed budget in support of column (2) as Attachment A.)				
	(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
A. Dollars		293,628		293,628
B. U.S.-Owned Local Currency				0

14. Mission References **Addis 631**

15. Instructions to Authorized Agent **Please negotiate a grant with CRS in the amount of \$293,628 to implement an emergency seed distribution for Eritrea, Ethiopia. Attached are project description, budget and mission concurrence. Grant period is March 15, 1993 through March 14, 1994. Point of contact is Valerie Barksdale at (410) 625-2220.**

*AOT-1007-93-69-3684940*

16. Address of Voucher Paying Office **AID/FM/CMPD/DCB, Rm 700, SA-2, Washington, D.C. 20523-0209**

17. Clearances - Include typed name, office symbol, and date for all clearances

A. The Project Officer certifies (1) that the specifications in the statement of work or program description are technically adequate, and (2) that (for contract actions only) all program personnel who are defined as procurement officials under 41 U.S.C 423 have signed the Procurement Integrity Certification (OF-333).

Signature: OFDA/DRD: Polly Byers *Polly Byers* Date: *3/17/93* Phone No: 7-7538

B. The statement of work or program description lies within the purview of the initiating office and approved agency programs.

Signature: OFDA/DRD: *[Signature]* Date: *3/17/93* C. Signature: OFDA/OS: SChandler/GBradford *[Signature]* Date: *3/17/93*

D. Funds for the services requested are available E. Signature: AM/A/PNP: ASpence Date: Signature: Date:

18. For the Cooperating Country: The terms and conditions set forth herein are hereby agreed to:

Signature: Title: Date:

19. For the Agency for International Development: Signature: *[Signature]* Title: Acting Director, OFDA Date: *3/20/93*

**FOR CONTRACT ACTIONS ONLY: SOURCE SELECTION INFORMATION--SEE FAR 3.104. THIS DOCUMENT, OR PORTIONS THEREOF, CONTAINS PROPRIETARY OR SOURCE SELECTION INFORMATION RELATED TO THE CONDUCT OF A FEDERAL AGENCY ACQUISITION, THE DISCLOSURE OF WHICH IS RESTRICTED BY LAW (41 U.S.C. 423). UNAUTHORIZED DISCLOSURE OF THIS INFORMATION MAY SUBJECT BOTH THE DISCLOSURER AND RECIPIENT TO CONTRACTUAL, CIVIL, AND/OR CRIMINAL PENALTIES AS PROVIDED BY LAW. FA/FM/A/NPA & PA**

**FOR OTHER ACTIONS: UNAUTHORIZED DISCLOSURE OF PROPRIETARY OR SOURCE SELECTION INFORMATION MAY SUBJECT AN EMPLOYEE TO DISCIPLINARY ACTION.**

**OFFICE OF FINANCIAL MANAGEMENT**

AID 1350-1 (5/91)

*CRS AER, GRT*  
*11 11 Sch*

ACTION: *Reserved*  
DATE: *3/31/93* INITIALED *[Signature]*



submitted to A.I.D., Office of Financial Management (FM/CMPD/DCB), Room 700, SA-2, Washington, D.C. 20523-0209. In addition, two copies of all financial reports shall be submitted to OFDA, Rm 1262A NS, Washington, D.C. 20523-0008, one copy for the Project Officer, Polly Byers, and one copy for the Operations Support Division, Amanda Downing.

Grant Performance Reports

The grantee shall submit a mid-term and a final report. The reports should document progress vis-a-vis program objectives, problems encountered, corrective procedures followed, significant program developments during the reporting period and projected accomplishments for the coming quarter. Analysis and cost should also be included here. Two copies of each program performance report should be submitted to OFDA. The final report should be submitted no later than ninety (90) days after the completion of the project.

PERIOD OF ACTIVITY

Project dates are March 15, 1993 - March 14, 1994.

**BUDGET**

ECS/A 1993 Seed Distribution Budget

<u>Acct. No</u>	<u>Line Item</u>	<u>Amount</u>
6101	Seed Purchase	\$206,600
6908	Inland Transport	
	600 MT @ \$30.40/MT	18,240
6908	Loading and Unloading	
	600 MT @ \$5.00/MT	3,000
6309	Office Expenses	200
6706	Travel Expenses	3,000
6703	CRS/ECS/A Evaluation	5,700
6201	External Audit	2,000
6805	Vehicle Expenses	800
	Sub-Total	<u>\$239,540</u>
	CRS/Baltimore Overhead Costs	
	22.58% of budget	<u>54,088</u>
	Grand Total	\$293,628

A detailed breakdown of the budget is included in annex B.

A. SEED PURCHASE	Quantity (in MTs)	Price/MT (in birr)	Total Cost (in birr)	Total Cost (in \$US)
Barley	220	1600	352,000	\$70,400
Sorghum - Anal	40	1500	60,000	\$12,000
- Feterit	20	1000	20,000	\$4,000
- Bazenai	20	1850	37,000	\$7,400
Pearl Millet	90	2200	198,000	\$39,600
Melze - Arkebe	20	1500	30,000	\$6,000
- Shashomene	150	1600	240,000	\$48,000
Teff	20	2800	56,000	\$11,200
Finger Millet	20	2000	40,000	\$8,000
TOTAL	600		1,033,000	\$206,600

B. TRANSPORT, LOADING & UNLOADING	Quantity (in MTs)	Price/MT (in birr)	Total Cost (in birr)	Total Cost (in \$US)
Inland Transport	600	152	91,200	\$18,240
Loading & Unloading	600	25	15,000	\$3,000
TOTAL			106,200	\$21,240

C. ECS/A SUPPORT COSTS			
Office Expenses (Phone, Supplies, etc..)		1,000	\$200
Vehicle Expenses (fuel & oil)		4,000	\$800
Travel Expenses			
Per diem 3pers x 55 days x 50 birr/day		8,250	\$1,650
Hotel 3 pers x 40 nights x 55 birr/night		6,600	\$1,320
Misc: tire repair, etc.		150	\$30
TOTAL		20,000	\$4,000

D. EVALUATION & AUDIT	
Airfare - external evaluator (East Africa)	\$1,300
Addis - Asmara RT - 2 people	\$1,200
Per diem Addis - \$30/day x 1 x 7 days	\$210
Hotel Addis - \$80/night x 1 x 6 nights	\$480
Per diem Eritrea - \$25/day x 2 x 14 days	\$700
Hotel Eritrea - \$60/night x 2 x 13	\$1,560
Fuel expenses - Eritrea (1000 km)	\$250
Evaluation Subtotal	\$5,700
External Audit Fees	\$2,000
PROJECT SUB-TOTAL	\$239,540
CRS/Baltimore Overhead Costs (22.58%)	\$54,088
GRAND TOTAL	\$293,628

Exchange Rate: US \$1.00 = 5 Birr

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UNCLASSIFIED  
 AGENCY FOR INT'L DEV.  
 TELECOMMUNICATIONS CENTER

INCOMING  
 TELEGRAM

A: MW/42  
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 ACTION AID-00

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 ACTION OFFICE AFEA-04  
 INFO OL-01 FAPB-02 GC-01 GCAF-02 FVPP-01 RDAI-01 OFDA-02  
 STN-01 FHAA-01 SEOP-01 FFP-09 SERP-01 SECS-02 AMAD-01  
 COM-02 FABP-02 PRIO-01 /035 AD      30/1209Z  
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INFO LOG-00 AF-00 CIAE-00 DODE-00 EB-00 FDRE-01 TRSE-00  
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 FM AMEMBASSY ADDIS ABABA  
 TO SECSTATE WASHDC PRIORITY 3251  
 INFO AMEMBASSY NAIROBI

UNCLAS ADDIS ABABA 00631

AID/W FOR AFR/EA, FNA/OFDA (IGOTT/IED), AND FNA/FFP  
 NAIROBI FOR REDS/ESA/RFFPO

E.O. 12356, N/A  
 SUBJECT: ETHIOPIA - CRS PROPOSALS FOR 1993 SEED AND  
 TOOL DISTRIBUTION IN HARARGE, TIGRAY AND ERITREA

1. THIS IS AN ACTION CABLE FOR OFDA/W (SEE PARA 4).
2. MISSION RECENTLY RECEIVED THE THREE SUBJECT PROPOSALS, TOTALING USD 836,529, FROM CATHOLIC RELIEF SERVICES/ETHIOPIA (CRS) (TOGETHER WITH A REQUEST FROM WFPD FOR USD 717,426 IN OPERATIONAL SUPPORT - INCLUDING A SEED/TOOL COMPONENT - TO BE ADDRESSED SEPTEL AS THE PROPOSALS HAVE ALREADY BEEN FORWARDED TO OFD THROUGH CRS BALTIMORE OFFICE THEY ARE NOT REPRODUCED HERE. CRD/ERITREA CATHOLIC SECRETARIAT

(ECS AND CRS/HARARGE CATHOLIC SECRETARIAT (MCS) PROPOSE TO PROVIDE LOCAL VARIETIES OF SEED TO SELECTED NEEDY FARMERS IN THE PREVIOUSLY DROUGHT AND WAR-AFFECTED AREAS IN WHICH THEY HAVE BEEN WORKING. CRS/MCS WILL BE PROVIDING ADDITIONAL SEED AND TOOLS USING FUNDS ALREADY PLEDGED BY EUROPEAN DONORS. CRS/RELIEF SOCIETY OF TIGRAY (REST) PLAN TO PROVIDE IMPROVED AND/OR CAREFULLY SELECTED LOCAL SEED TOGETHER WITH TERRACING TOOLS TO FARMERS IN SIMILARLY AFFECTED AREAS. THE PROPOSALS ARE SUMMARIZED IN THE FOLLOWING TABLE:

REGION	CPART	USD	MH	SEED MT	TOOLS
HARARGE	MCS	354,174	37,200	552	-
TIGRAY	REST	197,727	5,057	310	5,877
ERITREA	ECS	284,628	9,200	600	-
TOTAL		836,529	51,457	1,462	5,877 PCEs

3. ALL THREE PROPOSALS ADDRESS EMERGENCY/REHABILITATION NEEDS IN WAR AND DROUGHT AFFECTED AREAS WHERE CRS HAS BEEN WORKING FOR A NUMBER OF YEARS THROUGH WELL ESTABLISHED LOCAL COUNTERPARTS WITH PROVEN RECORDS OF SUCCESSFUL SIMILAR PROGRAM IMPLEMENTATION. ALTHOUGH CRS' RELATIONSHIP WITH REST IS RELATIVELY RECENT, REST HAS HAD WELL-DOCUMENTED SUCCESS IN THE EXECUTION OF EMERGENCY AND REHABILITATION PROJECTS THROUGH LOCAL COMMUNITIES IN TIGRAY.

3. MISSION BELIEVES THE RELATIVE PEACE PREVAILING IN ALL THREE AREAS WILL PERMIT MORE INTENSIVE MONITORING AND FOLLOWUP, ENSURING BETTER UNDERSTANDING OF PROGRAM

IMPACT. ALTHOUGH ALL THREE PROPOSAL BUDGETS ALLOW FOR SEPARATE EVALUATIONS, MISSION SUGGESTS A COMPARATIVE EVALUATION OF THE THREE PROJECTS BE UNDERTAKEN INSTEAD. A NUMBER OF AD HOC SEED PROJECTS HAVE BEEN CARRIED OUT DURING THE PAST FEW YEARS WITH, WE SUSPECT, VARYING DEGREES OF SUCCESS. MISSION IS INTERESTED IN TRYING TO GAUGE THE BROADER IMPACT OF SEED/TOOLS INTERVENTIONS ON ASSET-POOR FARMERS' PRODUCTION IN THE SHORT-TERM AND ON THEIR GENERAL RECOVERY/REHABILITATION IN THE LONGER-TERM. FUNDS ALREADY BUDGETTED FOR MONITORING AND EVALUATION IN THE INDIVIDUAL PROJECTS SHOULD COVER THIS ACTIVITY.

4. ACTION REQUEST: AFTER CAREFUL REVIEW, MISSION RECOMMENDS OFDA/W PROVIDE FULL FUNDING TO THE LEVEL OF USD 836,529 FOR ALL THREE CRS-SPONSORED PROPOSALS (ENDORSEMENT OF THE WFPD PROPOSAL TO FOLLOW SEPTEL). AID COORDINATOR/ERITREA CONCURS WITH MISSION RECOMMENDATION TO FUND THE CRS/ECS PROPOSAL. MISSION BELIEVES THESE PROPOSALS ADDRESS LEGITIMATE EMERGENCY NEEDS IN THE TARGETED AREAS. MISSION IS CONFIDENT THE PROPOSALS ARE TECHNICALLY SOUND, BUDGETS ARE REASONABLE, AND BENEFICIARY SELECTION CRITERIA VALID.

VARIATIONS IN SEEDING RATES AND COSTS ARE ATTRIBUTABLE TO REGIONAL DIFFERENCES IN SEED AVAILABILITY, TERRAIN AND DEGREE OF INTEGRATION OF LOCAL MARKETS. MISSION

NOTES THAT SUCCESSES AND CONSTRAINTS ENCOUNTERED IN THE 1991/92 OFDA-FUNDED SEED PROJECTS IN ERITREA AND HARARGE HAVE BEEN TAKEN INTO ACCOUNT IN PROGRAM DESIGN AND IMPLEMENTATION. MISSION BELIEVES THE SIMULTANEOUS IMPLEMENTATION OF THESE THREE EMERGENCY/REHABILITATION PROJECTS WILL PROVIDE A UNIQUE OPPORTUNITY TO COMPARE THE RESULTS IN THREE DIFFERENT AREAS WHICH HAVE BEEN SIMILARLY RAVAGED BY WAR AND DROUGHT. PLEASE ADVISE BAAS

-1000  
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**CATHOLIC RELIEF SERVICES**

*Giving Hope To A World Of Need*

January 15, 1993

Ms. Mary Rita Zeleke  
FHA/OFDA  
320 21st Street, N.W.  
Washington, DC 20523

Re: Project Proposal for 1993 Eritrea Seed Distribution

Dear Ms. Zeleke:

Attached, please find a copy of the above referenced proposal for your review.

OFDA's support of \$293,628 is requested to purchase and distribute 600MT of local variety seed types to 46,000 farmers for planting in the summer and winter seasons. The support will also cover transport, loading/unloading, some administrative expenses of CRS' counterpart, Eritrean Catholic Secretariat (ECS) (see Annex B) and CRS' monitoring, evaluation and audit costs as well.

ECS, in consultation with the Ministry of Agriculture (MOA), will purchase and transport the seeds from local markets to distribution sites and make allotments to village leaders who, in turn, will select needy farmers based on their own set of criteria. The MOA will designate the areas of need and quantities necessary.

The best time to make purchases is just after harvest so as to avail of low prices and quality seeds. Given the emergency nature of the purchases, we request a pre-grant authorization letter to allow CRS to advance private funds to commence implementation January 25, 1993 as planned and be eventually reimbursed through the Grant Agreement. We would appreciate your review and comments.

Thank you.

With kind regards,

*Valarie L. Barksdale*  
Valarie L. Barksdale  
OFFICE OF PROJECT  
RESOURCE MANAGEMENT

encs.

World Headquarters

Catholic Relief Services

209 West Fayette Street, Baltimore, Maryland 21201-3443

Telephone (410) 625-2220 Fax (410) 685-1635 Telex 9100000451 (CRS LQ)

The Overseas Relief and Development Agency of the United States Catholic Conference



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**Project Proposal for 1993 Eritrea Seed Distribution****I. TITLE PAGE**

**PROJECT TITLE:** 1993 Eritrea Seed Distribution

**PROJECT NUMBER:** 633-93-001

**PROJECT LOCATION:**  
**COUNTRY:** Eritrea  
**PROVINCE:** Various Regions in Eritrea  
**DIOCESE:** Eritrea

**TARGET GROUP:** 46,000 farmers

**PROJECT PERIOD:** January 25, 1993 - March 31, 1994

**TOTAL PROJECT COST:** \$293,628

**REQUESTED FROM USAID:** \$293,628

**PROJECT APPLICANT:** Eritrean Catholic Secretariat

**PROJECT IMPLEMENTER:** Eritrean Catholic Secretariat

**CRS/BALTIMORE CONTACT:** Paul Miller

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## BEST AVAILABLE DOCUMENT

### .. SUMMARY

The Eritrean Catholic Secretariat (ECS/A) has requested assistance from USAID to provide essential seeds to needy Eritrean farmers. The goal of this project is to increase the Eritrean farmers' ability to attain food self sufficiency in the areas targeted by the project. ECS/A plans to assist 46,000 farmers to increase their yields in 1993 by distributing 600 MT of different types of seed for the two planting seasons.

The seed will be distributed in a cooperative effort between the Eritrean Ministry of Agriculture and ECS/A. The required seed will be purchased in Eritrea. ECS/A plans to purchase the seed from local merchants in order to ensure that the seeds are from similar ecological areas and will not disturb the local plant genetic resources. In order to take advantage of the lower post-harvest seed prices, it is important to purchase seeds for the summer planting by the end of January. Therefore, the project duration will be from January 1993 through March 1994.

The total budget requested from USAID for the implementation of this project is \$293,628. This cost includes the purchase, transport and distribution of the seed, some administrative expenses for ECS/A staff, CRS' monitoring, evaluation and audit expenses and CRS/Baltimore's overhead costs.

### III. BACKGROUND

After years of drought and civil war, most farmers in Eritrea have completely depleted their resources. Traditional coping mechanisms such as selling firewood, have added to further degradation of the soil and other obstacles to rehabilitation of the agriculture sector. Since 1988, ECS/A has been actively assisting Eritrean farmers to reestablish their lives through the distribution of seed. With the end of the civil war, increased security and the reactivation of the Eritrean economy should stimulate the agricultural sector. However, due to the vastness of the need and devastation, the process of assisting Eritrean farmers to attain food self-sufficiency will be slow.

In addition to those Eritrean farmers affected by multiple years of drought, an estimated 250,000 - 500,000 Eritrean refugees currently living in Sudan will eventually return to Eritrea. These returnees will have few of the resources needed to reestablish their lives and economic livelihoods in Eritrea. The inability of the Provisional Government of Eritrea (PGE) and UNHCR to reach agreement has hampered the delivery of any significant assistance to the returnees.

The 1992 FAO/WFP Crop and Food Supply Assessment for Eritrea and the 1992 Crop Production Estimate by the Eritrea Relief & Rehabilitation Agency (ERRA) reveal a significant increase in the harvest of 1992

## BEST AVAILABLE DOCUMENT

of the harvest of 1991. Following three years of extreme drought the rainfall in 1992 improved, with amounts 150% higher than 1991 in most areas. Still, despite the excellent harvest, substantial imports of cereals will be needed in 1992. The FAO/WFP Assessment estimates that 140,000 MT of food aid will be required. Lack of oxen also continues to be a constraint on the total area planted. More than half the farmers in the highlands have lost their oxen over the last five years.

Last year, seed supplies were enhanced by successful distribution schemes provided by the Eritrean Ministry of Agriculture (MOA), ECS/A and LWF. Some 6,300 MT of seed were distributed to the poorest farmers in the ten provinces of Eritrea. The 1991 Eritrea Seed Distribution project (Grant #AFR-000-G-00-1083-00) was initiated by the ECS/A to provide seed to needy farmers affected by drought and civil war. Through that OPDA-funded project, ECS/A distributed a total of 337.20 MT of seed to 38,883 farmers by the end of the project period in September 1992. The evaluation of that project showed that beneficiary farmers redistributed the seed among themselves to reach more of the needy, as supplies at the initial distribution rate were not sufficient for all farmers in need of seeds.

Seeds are one of the most vital agricultural inputs for peasant farmers in Eritrea. Farmers will do all they can to protect their seed stocks in normal periods. Even under famine conditions, producers will guard their seeds, only eating them under extreme conditions. ERRA/MOA believe that if farmers are forced to consume seed, they will have to borrow from richer farmers or traders in order to plant, pledging their future crops as collateral, often at a punitive rate of interest. Therefore, seed distribution is seen as a sound strategy to pursue to assist the process of agricultural rehabilitation. It is likely that ERRA/MOA will attempt to distribute seed again this year, as the 600 tons which ECS/A plans to procure will not meet the needs of all farmers who are short of seed. ECS/A is not aware of any other NGO planning to distribute seed.

#### IV. PROJECT DESCRIPTION

##### A. Goal

The goal of this project is to increase the Eritrean farmers' ability to attain food self sufficiency in the areas targeted by the project.

##### B. Objective

The objective of this project is to provide 600 MT of essential seed to 46,000 needy farmers in Eritrea in the two 1993 planting seasons.

### C. Implementation Plan

ECS/A is requesting assistance from the USAID to purchase and deliver 600 MT of various local seed varieties to 46,000 beneficiaries over the two 1993 agricultural seasons. ECS/A prepared the estimates of seed requirements for distribution, number of beneficiaries and the locations which appear in Annex A. The proposed seed varieties are all staple crops traditionally sown by Eritrean farmers. The package of seed to be provided to each family should cover from .25 to .5 hectares. The MOA-approved ration rates are 15 kg/farmer for barley seed, and 10 kg/farmer for sorghum, millet, maize and teff. The choice of types of seed to distribute will depend on the preferences and growing conditions of each area.

ECS/A and CRS learned from the evaluation of the previous project that farmers prefer to grow local varieties, and tend to eat seed which is not generally grown in their areas. For this reason, every effort will be made to purchase local seed for distribution in the immediate area. ECS/A will use its field storage capacity to keep locally purchased seed as close to its distribution area as possible. This approach reduces logistical costs and takes pressure off of the central warehouses in Asmara. ECS/A has the capacity to store 600 MT in its field stores without disrupting its relief food storage capacity.

It is important to begin to purchase just after harvest in order to ensure that local seed varieties are still available. To get the best price and quality of seed, seed distributed for the summer planting season should be purchased in January 1993 and for the winter planting season in September 1993. The seed will be distributed in May and June for the summer planting season and in November and December for the winter planting season. ECS/A plans to distribute 450 MT of various seed types for the 1993 summer planting season. The remaining 150 MT of Shashemene maize would be distributed in the 1993 winter planting season.

The seed will be distributed by ECS/A staff in a cooperative effort between the MOA and ECS/A. In the initial stage of the seed distribution process, the MOA determines the areas in need of assistance and coordinates the resources of various donors and implementing organizations in relation to the urgency and need in the field. MOA coordination ensures that seed distribution is not duplicated in some areas while leaving other needy areas without resources.

In consultation with the MOA, ECS/A's Agriculture and Finance staff will purchase seed based on the local market conditions and its resources available for seed. The MOA will inform ECS/A where to distribute and the quantity of the seed needed in each area. Then the MOA will tell the village leaders the number of villagers to send to the seed distribution, i.e. MOA determines the number of recipients based on a specific ration rate and the quantity of seed

available. Finally, the villagers will receive the seed from ECS/A staff at the MOA-approved ration rate. As the seed will be distributed to individual farmers at the period for planting, there should be no local storage problems.

Villages determine their criteria for beneficiary selection based on many factors. The criteria used by the village and zone authorities vary based on the local circumstances but in general they look at 1) number of livestock and 2) other sources of income (Asmara, small trade, relatives) in order to determine the relative economic status of potential beneficiaries. Need as well as access to arable land and farming equipment were major factors in the distribution of seed in the 1991-92 project. Where farmers redistributed seed among themselves, it was still among those who were most needy in the community. Previous experience has shown that the villagers do tend to choose the farmers most in need to be recipients of seed.

ECS/A will transport the seed from the local markets to its local storage facilities and then, at the appropriate time, from storage to the beneficiaries. Their main resource of transport is their own fleet of 24 trailers and 50 short and long haul trucks.

As far as storage of the seed, with the multiple years of drought and famine in Eritrea and Northern Ethiopia, permanent and semi-permanent (Rubb-Hall) storage facilities are available and adequate for the projected needs in 1993. Likewise, ECS/A should have adequate storage and warehousing available to manage the seed assistance requested. ECS/A currently has two permanent warehouses in Asmara of 5,000 MT capacity each.

#### D. Details of Proposed Purchases

Given the liquidity of market conditions, it is difficult to give exact figures for the seed needed by the Eritrean farmers or seed available for purchase on the local market. However, ECS/A agriculturalists have made the following estimate based on their past experience in purchasing local seed varieties and knowledge of Eritrean farmers' preferences in the various provinces. ECS/A plans to purchase the seed from local merchants in order to ensure that the seeds are from similar ecological areas and will not disturb the local plant genetic resources. Also, purchasing all the seed locally will reduce the logistical requirements for the project.

The following is an itemized list of seeds to be purchased. The 1992 agricultural season was such that ECS/A believes it will be able to purchase all seed for this project in Eritrea. The prices and tonnage are estimations to be confirmed by a post-harvest assessment performed by the MOA. The place of purchase of the seed will be determined based on the availability and price of the seed after the harvest.

<u>Seed Type</u>	<u>Variety</u>	<u>Tons</u>	<u>Unit Price</u>	<u>Unit Price</u>	<u>Total</u>
Barley	Yeha	220 MT	1,600 Birr	\$320.00	\$ 70,400
Sorghum	Amal	40	1,500	300.00	12,000
	Feterit	20	1,000	200.00	4,000
Pearl Millet	Bazenai	20	1,850	370.00	7,400
	Bultuk	90	2,200	440.00	39,600
Maize	Arkebe	20	1,500	300.00	6,000
	Shashemene	150	1,600	320.00	48,000
Teff	Tsada Taff	20	2,800	560.00	11,200
Finger Millet	Dagusha	20	2,000	400.00	8,000
Grand Total		600 MT			\$206,600

### E. Monitoring and Evaluation

ECS/A's Agriculture Department staff will closely follow up the project and submit quarterly reports to CRS on the progress and implementation of the project. CRS will use these reports from ECS/A as well as information from its own monitoring for reporting to the USAID. After the planting of the seeds, ECS/A and CRS will carry out an evaluation of the implementation of the project, and collect information on farmers' yields. The MOA will again be invited to participate in the evaluation. The evaluation team will also look at ways to improve the sustainability of ECS/A's seed program.

## V. PROJECT ANALYSIS

### A. Counterpart Information

ECS/A is an experienced organization, with a well-structured emergency food distribution network. It has the trained and experienced agricultural staff to purchase good quality seed that corresponds with the preferences of the recipient farmers, and to provide technical assistance if needed. It also has the transport capacity and logistics staff to distribute the seed in a timely fashion. ECS/A has successfully implemented similar seed distribution projects in 1988/89 and 1991/92.

## VI. BUDGET

The total estimated project budget is \$293,628. The major line item is Seed Purchase (\$206,600). ECS/A estimated the seed prices based on their previous experience purchasing seed in several different local markets in Eritrea, including the Asmara market, just after the harvest period. The prices given in annex A may be expected to vary depending upon when the purchases are made, as seed prices increase in proportion to the length of time which has passed since the harvest.

1993 Eritrea Seed Distribution - Detailed Budget

Annex B

A. SEED PURCHASE

	Quantity (in MTs)	Price/MT (in birr)	Total Cost (in birr)	Total Cost (in \$US)
Barley	220	1600	352,000	\$70,400
Sorghum - Amal	40	1500	60,000	\$12,000
- Feterit	20	1000	20,000	\$4,000
- Bazensai	20	1850	37,000	\$7,400
Pearl Millet	90	2200	198,000	\$39,600
Maize - Arkebe	20	1500	30,000	\$6,000
- Sheshemene	150	1600	240,000	\$48,000
Teff	20	2800	56,000	\$11,200
Finger Millet	20	2000	40,000	\$8,000
TOTAL	600		1,033,000	\$206,600

B. TRANSPORT, LOADING & UNLOADING

	Quantity (in MTs)	Price/MT (in birr)	Total Cost (in birr)	Total Cost (in \$US)
Inland Transport	600	152	91,200	\$18,240
Loading & Unloading	600	25	15,000	\$3,000
TOTAL			106,200	\$21,240

C. ECS/A SUPPORT COSTS

Office Expenses (Phone, Supplies, etc..)	1,000	\$200
Vehicle Expenses (fuel & oil)	4,000	\$800
Travel Expenses		
Per diem 3pers x 55 days x 50 birr/day	8,250	\$1,650
Hotel 3 pers x 40 nights x 55 birr/night	6,600	\$1,320
Misc: tire repair, etc.	150	\$30
TOTAL	20,000	\$4,000

D. EVALUATION & AUDIT

Airfare - external evaluator (East Africa)	\$1,300
Addis - Asmara RT - 2 people	\$1,200
Per diem Addis - \$30/day x 1 x 7 days	\$210
Hotel Addis - \$80/night x 1 x 6 nights	\$480
Per diem Eritrea - \$25/day x 2 x 14 days	\$700
Hotel Eritrea - \$60/night x 2 x 13	\$1,560
Fuel expenses - Eritrea (1000 km)	\$250
Evaluation Subtotal	\$5,700
External Audit Fees	\$2,000

PROJECT SUB-TOTAL

\$239,540

CRS/Baltimore Overhead Costs (22.58%)

\$54,088

GRAND TOTAL

\$293,628

Exchange Rate: US \$1.00 = 5 Birr

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Funds are also required for the inland transport from the local markets to the distribution sites. Taking an average of the distances from Asmara to the various provincial capitals, CRS estimates the inland transport costs of the seed to be approximately US\$ 30.40/MT. ECS/A will pay approximately \$5.00/MT for loading and unloading the seed at the point of purchase, ECS/A storage facilities, and the distribution sites.

In addition to the logistical expenses of distributing seed, ECS/A will incur administrative expenses of \$4,000 to cover general office expenses and staff per diem, hotel, and gas/oil expenses incurred while procuring and distributing the seed and monitoring the project.

The project budget follows:

ECS/A 1993 Seed Distribution Budget

<u>Acct. No</u>	<u>Line Item</u>	<u>Amount</u>
6101	Seed Purchase	\$206,600
6908	Inland Transport	
	600 MT @ \$30.40/MT	18,240
6908	Loading and Unloading	
	600 MT @ \$5.00/MT	3,000
6309	Office Expenses	200
6706	Travel Expenses	3,000
6703	CRS/ECS/A Evaluation	5,700
6201	External Audit	2,000
6805	Vehicle Expenses	800
Sub-Total		<u>\$239,540</u>
CRS/Baltimore Overhead Costs		
22.58% of budget		<u>54,088</u>
Grand Total		\$293,628

A detailed breakdown of the budget is included in annex B.

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## ESTIMATES OF SEED REQUIREMENT FOR DISTRIBUTION

IN ERITREA IN 1993

FROM CRS ET

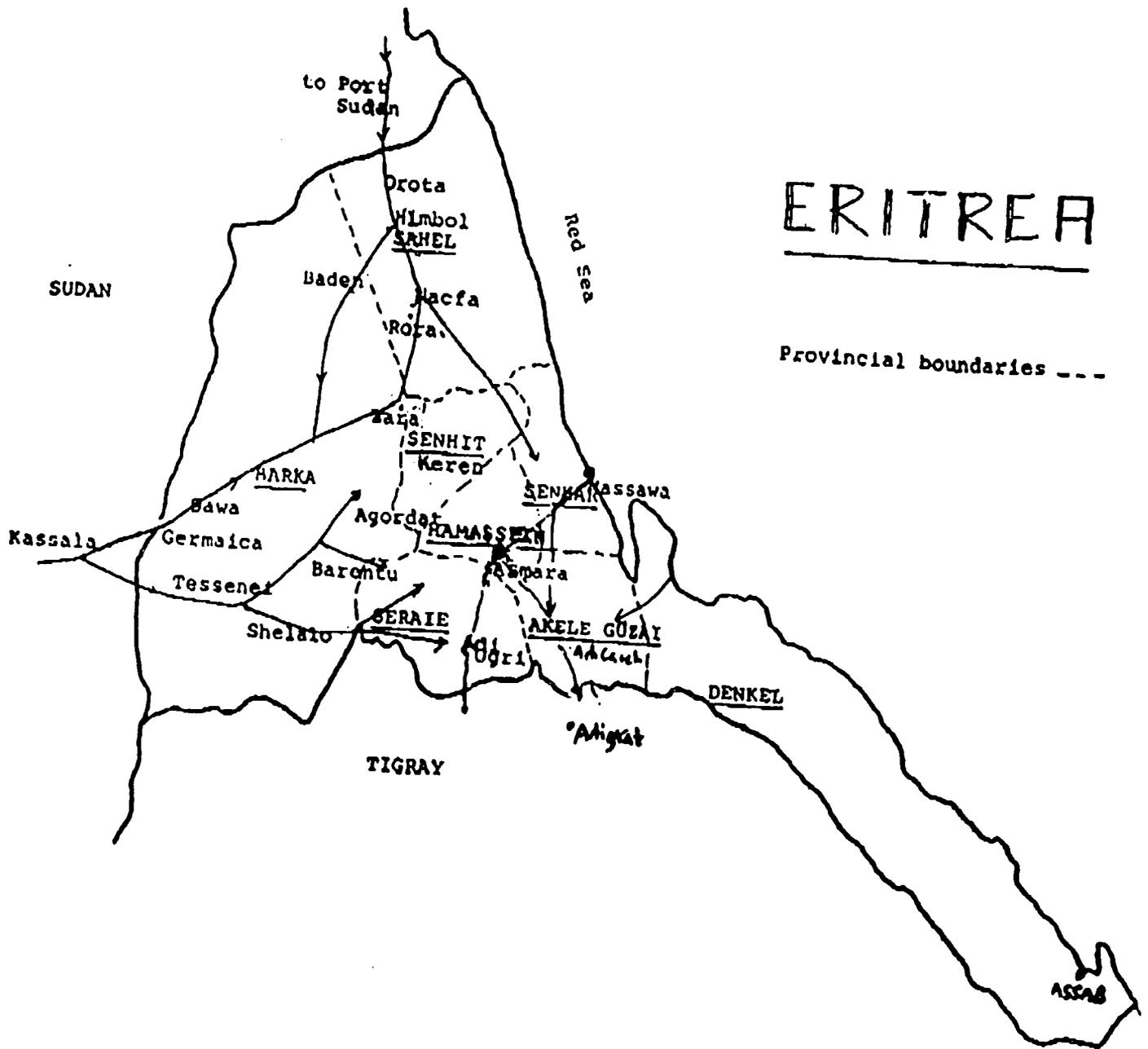
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CROP	LAND RACE/LOCAL NAME	SEED QUANTITY (Q)	UNIT PRICE (BIRR)	TOTAL PRICE (BIRR)	PROVINCE	BENEFICIARIES
BARLEY	YEHA	800	160	128 000	Hamasien	3200
BARLEY	YEHA	600	160	96 000	AKELEGUZAI	2400
BARLEY	YEHA	200	160	32 000	SERAYE	800
BARLEY	YEHA	300	160	48 000	SENHIT	1200
BARLEY	YEHA	300	160	48 000	SAHEL	1200
ORGHUM	AMAL	200	150	30 000	SERAYE	2000
ORGHUM	AMAL	200	150	30 000	SENHIT	2000
ORGHUM	FETERIT	200	100	20 000	BARKA	2000
ORGHUM	BAZENAI	200	185	37 000	GASH	2000
BARL MILLET	BULTUK	300	220	66 000	SENHIT	3000
BARL MILLET	BULTUK	300	220	66 000	BARKA	3000
BARL MILLET	BULTUK	300	220	66 000	GASH	3000
IZE	ARKEBE	200	150	30 000	A. GUZAI	2000
IF	TSADA TAFF	200	280	56 000	SERAYE	2000
IGER MIL.	DAGUSHA	200	200	40 000	SERAYE	2000
ZE	SHASHEMENE	1 500	160	240 000	SEMJAR	15000
<b>AND TOTAL</b>		<b>6 000</b>		<b>1 033 000</b>		<b>46 000</b>

ANNEX A

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