



(BBF 74)

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A.I.D. Project Number

PROJECT  
GRANT AGREEMENT

Between

THE GOVERNMENT OF THE REPUBLIC OF ZAMBIA

and the

UNITED STATES OF AMERICA

for

THE ZAMBIA AGRICULTURAL TRAINING, PLANNING  
AND INSTITUTIONAL DEVELOPMENT II PROJECT

DATED: DECEMBER 31, 1986



A.I.D. Project No.611-0207

Project Grant Agreement

Dated December 31, 1986

Between

The Government of the Republic of Zambia ("Grantee")

And

The United States of America, acting through the  
Agency for International Development ("A.I.D.").

Article 1: The Agreement

The purpose of this Agreement is to set out the understanding of the parties named above ("Parties") with respect to the undertaking by the Grantee of the Project described below, and with respect to the financing of the Project by the Parties.

Article 2: The Project

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will consist of assistance to the Grantee to improve agricultural policy, sectoral planning, and management in key agricultural policymaking institutions. Annex 1, attached, amplifies the above definition of the Project. Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representative of the Parties named in Section 8.2, without formal amendment of this Agreement.

SECTION 2.2. Incremental Nature of Project.

(a) A.I.D.'s contribution to the Project will be provided in increments, the initial one being made available in accordance with Section 3.1 of this Agreement. Subsequent increments will be subject to availability of funds to A.I.D. for this purpose, and to the mutual agreement of the Parties, at the time of a subsequent increment, to proceed.



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(b) Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D., based upon consultation with the Grantee, may specify in Project Implementation Letters appropriate time periods for the utilization of funds granted by A.I.D. under an individual increment of assistance.

Article 3: Financing

SECTION 3.1. The Grant. To assist the Grantee to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended, agrees to grant the Grantee under the terms of this Agreement not to exceed Three Million United States ("U.S.") Dollars (\$3,000,000) ("Grant").

The Grant may be used to finance foreign exchange costs, as defined in Section 6.1, and local currency costs, as defined in Section 6.2, of goods and services required for the Project.

SECTION 3.2. Grantee Resources for the Project.

(a) The Grantee agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Grantee for the Project will be not less than the equivalent of U.S. \$3,467,000, including costs borne on an "in-kind" basis.

SECTION 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is October 31, 1993, or such other date as the Parties may agree in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Grant for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

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(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters are to be received by A.I.D. or any bank described in Section 7.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After, such period, A.I.D., giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Conditions Precedent to Disbursement

SECTION 4.1. First Disbursement. Prior to the first disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

A statement of the name of the person holding or acting in the office of the Grantee specified in Section 8.2., and of any additional representatives, together with a specimen signature of each person specified in such statement.

SECTION 4.2 Additional Disbursement. Prior to disbursement under the Grant, or to issuance by A.I.D. of documentation pursuant to which disbursement will be made, for a minicomputer at the Central Statistical Office (CSO), the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

The results of a study, to be undertaken by technical assistance with appropriate skills in computer systems and data analysis, documenting computer needs at CSO and providing specifications for such a minicomputer.

SECTION 4.3 Notification. When A.I.D. has determined that the conditions precedent specified in Section 4.1 and 4.2 have been met, it will promptly notify the Grantee.

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**SECTION 4.4. Terminal Dates for Conditions Precedent.**

(a) If all of the conditions specified in Section 4.1 have not been met within ninety (90) days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Grantee.

**Article 5: Special Covenants**

**SECTION 5.1: Annual Workplans.** Grantee agrees, except as A.I.D. may otherwise agree in writing, to prepare and submit for A.I.D. approval an annual workplan for activities to be funded under the project, which includes, among other things, studies proposed for funding.

**SECTION 5.2: Studies.** Grantee agrees, except as A.I.D. may otherwise agree in writing, that the studies to be undertaken in the project will be within the policy areas of concern identified in the illustrative list set forth in Annex I of the Project Paper.

**SECTION 5.3. Project Technical Subcommittee.** Grantee agrees that, except as A.I.D. may otherwise agree in writing, a subcommittee, in form and substance satisfactory to A.I.D., will be established under the Project Executive Committee (PEC), whose function will be to provide to the PEC technical inputs from Ministry line personnel involved in the Project.

**Article 6: Procurement Source**

**SECTION 6.1. Foreign Exchange Costs.** Disbursements pursuant to Section 7.1 will be used exclusively to finance the costs of goods and services required for the Project having, with respect to goods, their source and origin, and with respect to services their nationality in the United States (Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods or services) ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex, Section C.1(b) with respect to marine insurance. Ocean transportation costs will



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be financed under the grant only on vessels under flag registry of the United States or the cooperating country, except as A.I.D. may otherwise agree in writing.

SECTION 6.2 Local Currency Costs. Disbursements pursuant to Section 7.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Zambia ("Local Currency Costs"). To the extent provided for under this Agreement, "Local Currency Costs" may also include the provision of local currency resources required for the Project.

Article 7: Disbursement

SECTION 7.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A.I.D. to procure commodities or services in Grantee's behalf for the Project; or,

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless Grantee instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Grant.



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**SECTION 7.2. Disbursement for Local Currency Costs.**

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursement may be obtained:

(1) by acquisition by A.I.D. with U.S. dollars by purchase.

(2) by A.I.D. (A) requesting the Grantee to make available the local currency for such costs, and (B) thereafter making available to the Grantee, through the opening or amendment by A.I.D. of Special Letters of Credit in favor of the Grantee or its designee, an amount of U.S. Dollars equivalent to the amount of local currency made available by the Grantee, which dollars will be utilized for procurement from the United States under appropriate procedures described in Project Implementation Letters.

The U.S. dollar equivalent of the local currency made available hereunder will be, in the case of subsection (b)(1) above, the amount of U.S. dollars required by A.I.D. to obtain the local currency, and in the case of subsection (b)(2) above, an amount calculated at the rate of exchange specified in the applicable Special Letter of Credit Implementation Memorandum hereunder as of the date of the opening of amendment of the applicable Special Letter of Credit.

**SECTION 7.3. Other Forms of Disbursement.** Disbursements of the Grant may also be made through such other means as the Parties may agree in writing.

**SECTION 7.4. Rate of Exchange.** Except as may be more specifically provided under Section 7.2, if funds provided under the Grant are introduced into Zambia by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Grantee will make such



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arrangements as may be necessary so that such funds may be converted into currency of Zambia at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Zambia.

Article 8: Miscellaneous

SECTION 8.1. Communications. Any notice, request, document or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following addresses:

To the Grantee:

Mail Address: Permanent Secretary  
Ministry of Finance  
P.O. Box 50062  
Lusaka, Zambia

Alternate address for cables: Finance Lusaka

To A.I.D.:

Mail Address: AID Mission Director  
P.O. Box 32481  
Lusaka, Zambia

Alternate address for cables: ZA 40810  
USAID Mission Director

With copy for Director,  
REDSO/ESA

Mail Address: Director, REDSO/ESA  
P.O. Box 30261  
Nairobi, Kenya

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice. The Grantee, in addition, will provide the USAID Mission with a copy of each communication sent to A.I.D.

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**SECTION 8.2 Representatives.** For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the office of the Permanent Secretary and A.I.D. will be represented by the individual holding or acting in the office of Mission Director, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Grantee, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

**SECTION 8.3 Standard Provisions Annex.** A "Project Grant Standard Provisions Annex" (Annex 2) is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representatives, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

REPUBLIC OF ZAMBIA

UNITED STATES OF AMERICA

By: W. Lufafa  
W. Lufafa  
Acting Permanent Secretary  
Ministry of Finance and  
National Commission for  
Development Planning N.C.D.P.

By: Ted D. Morse  
Ted D. Morse  
Mission Director  
December 31, 1986

ANNEX 1

AMPLIFIED DESCRIPTION OF THE PROJECT

Except as specifically provided herein, and within the limits of the definition of the Project set forth in Section 2.1, elements of this Amplified Project Description may be changed by written agreement of the authorized representative of the Parties named in Section 8.3 without formal amendment of this Agreement.

I. General Project Description

The project goal is to increase Zambia's total and per capita food production, and small farmer income. The specific purpose of the project is to improve agricultural policy formulation, sectoral planning, and management in key GRZ policymaking institutions.

The project aims to improve performance in the Zambian agriculture sector through improved policymaking and planning for implementation of policy reforms, and provides support to those institutions which are critical to policymaking, planning and allocation and use of resources for the agriculture sector. Since policy formulation is a continuous process reflecting changing objectives and circumstances, the project aims to develop, within key GRZ institutions, a greater capacity for analyzing problems in the sector.

Project outputs include the following:

1. Collaborative policy studies;
2. Better collection, processing and analysis of appropriate data for formulating and implementing policy;
3. Studies and plans for improved management systems and procedures and for institutional coordination;

4. Trained personnel in key analysis, management and decision making positions.

By the end of the project, it is expected that the following will be achieved: (1) improved planning and management in the Ministry of Agriculture and Water Development/Planning Division (MAWD/PD), the National Commission for Development Planning (NCDP), the Ministry of Finance (MOF), and the Central Statistics Office (CSO), and other relevant institutions; (2) an increase in the availability and effective utilization of information and analysis for policy decisions; (3) improved communication and coordination among GRZ institutions key to the policymaking process; (4) improved and more effective allocation of GRZ and donor resources for investment in the agricultural sector; and (5) improved design and execution of agricultural projects.

A major activity of the project will be the conduct of studies and analyses of sub-sectors and specific problem areas. The GRZ will collaboratively carry out these studies with the assistance of resident advisors and short term consultants.

Because of the evolving nature of the economic context within which policy must be determined, and because of its inherent complexity, particularly in the wake of the major package of reforms currently being implemented, the list of priority areas for study is flexible. Studies will be set forth in the annual work plans developed by A.I.D., the GRZ and the technical advisors and will be approved through the Project Executive Committee (PEC). Study topics will be in accord with the following list:

Illustrative Study Areas

1. Pricing policy.
2. Marketing policy.
3. Agricultural credit to farmers and to off-farm processing, storage, transportation and other marketing activities.

4. Fertilizer production, marketing, subsidies and use.
5. Effects of macroeconomic trends and policies on agricultural development.
6. Rural non-farm small scale enterprises, constraints they face and opportunities for promotion.
7. Private sector agribusiness climate, potential and ability to assume marketing functions.
8. Establishment and management of a National Grain Reserve.
9. Socioeconomic impact of policies and policy reforms on different social groups.
10. Small farm production systems, water management, land use and related problems.
11. Budgetary resource allocation in support of agriculture.
12. Decentralized agricultural development programs and local participation.
13. Land tenure situation and its impact on agricultural production incentives.
14. Cross-border trade in agricultural commodities and the need for official control or encouragement.
15. Effectiveness of agricultural services and supporting infrastructure, such as transportation and storage of agricultural commodities and role of cooperatives.
16. Overall agricultural development strategy, program priorities, and criteria for project selection and design.
17. Relative emphasis of agricultural development programs in the overall economic development plan.

18. Labor shifts resulting from recent policy changes and economic restructuring.
19. Foreign donor coordination, program priorities and criteria for project selection and design.
20. Intra- and inter-institutional coordination of GRZ institutions involved in rural development.
21. Procedures and incentive structure for the selection, retention and career development of professionals in government institutions serving agriculture and making agricultural policy.
22. Other organization and management issues within MAWD and other institutions engaged in policy formulation for the agricultural sector.
23. Other areas of importance which may be seen by the PEC as priorities as conditions change.

Project inputs will include the following:

1. Long Term Technical Assistance:

A total of 27 person years will be provided, with 6 advisors in country for varying lengths of time.

Three advisors will be placed in the Ministry of Agriculture and Water Development/Planning Division (MAWD/PD), and one will serve in the Sectoral Planning Department of the National Commission for Development Planning. Within MAWD/PD, the Chief of Party of the technical assistance team will work directly with and advise the Director of the Planning Division on management and agricultural policy issues, and will work with the staff of the Division's Project Analysis and Implementation Section. The second Advisor will work with the Sectoral Policy Analysis Section, and the third Advisor will work with the Production and Marketing Section.

2. Short Term Technical Assistance:

A total of 85 person months short term technical assistance will be provided. For the institutions where resident advisors are placed, the short term advisors will work with long term advisors on the above tasks. For institutions where no long term advisors will be provided, short term technical assistance will be the primary resource for institutional strengthening and will assist with in-country training and specific studies, and other tasks to improve specific skills, policy making, policy implementation and management within these institutions. The actual configuration of short term assistance will be specified as the long term advisors work with GRZ staff of the relevant institutions to plan studies, training and other activities. Plans for short term training will be set forth annually via the Project Executive Committee, through the annual work plan. Assistance by institution is illustratively set forth below:

MAWD/PD. 15 person months, in agricultural development and management topics, including public administration.

NCDP. 15 person months, to be provided to the Divisions of Sectoral Planning, Investment Policy and Regional Planning.

CSO. 16 person months, in survey methods, statistics, computer science and data processing.

Ministry of Finance. 11 person months, with likely areas to be: budget analysis, financial analysis, economics and economic planning, public finance and fiscal policy, budgetary policy in relation to agriculture policy, and computer applications.

Ministry of Cooperatives. 10 person months, to assist in management and in coordination with MAWD/PD in the areas of pricing and marketing policy.

NAMBoard. 8 person months, to assist NAMBoard to establish and manage a national food grain reserve and to monitor and make projections regarding the food grain situation.

Rural Development Studies Bureau. 10 person months, to strengthen capabilities to conduct policy-relevant studies and surveys related to the agriculture sector.

### 3. Training:

A.I.D. will provide a total of 57 person years long term training and 150 person months short term training, for professional personnel in key analysis, management and decision making positions. This will include long term graduate study and external short term training. Specific courses, training sites and individuals for training will be identified collaboratively as the project proceeds, since specific needs will relate to particular deficiencies identified by the technical advisors, and the particular management concerns and policy areas for study. Participants will be carefully selected following proposals made by each institution to the PEC. Training is illustratively set forth below:

INSTITUTION	LONG TERM (Master's level)	SHORT TERM
1. Planning Division/MAWD	9 persons	35 months
2. National Commission for Development Planning	3 persons	32 months
3. Ministry of Finance	3 persons	36 months
4. Central Statistical Office	3 persons	17 months
5. Ministry of Cooperatives		10 months
6. NAMBoard		11 months
7. Rural Development Studies Bureau	1 person	9 months

### 4. Commodities:

Commodities to be provided include computer equipment, books and learning materials, office equipment, some audio/visual training equipment, and vehicles. Computer hardware and software specifications will be developed jointly between AID and the GRZ and will take into account assessment of existing capacity, planned uses, overall need and compatibility. Most of the commodities under the categories of training material and audio-visual equipment will be provided to a small conference and resource facility, for MAWD, using local currency made available through the project.

### 5. Counterpart Funds:

Counterpart funds, derived from USAID/Zambia program assistance local currency generations, will be used to support in-country training, studies, conference facility construction, and certain administrative and operational costs related to project technical assistance.

### 6. GRZ Regular Budget:

GRZ regular budget will pay the normal salaries and allowances for personnel associated with the project as counterparts to technical assistance personnel and as trainees, and will provide in-kind contributions.

## II. Contribution of the Parties

In order to achieve the purpose and objectives of the Project, the Parties will make inputs to the Project as described below.

### A. A.I.D.

Indicated funding levels are for anticipated life of project funding. Funding indicated in excess of that actually obligated under this Agreement will be provided under future increments subject to the conditions set forth in Section 2.2(a) of this Agreement. Total anticipated A.I.D. contribution during the life of the project is \$11,113,000, broken down as follows:

1. <u>Technical Assistance/Long Term</u>	\$5,510,800
MAWD/PD, 2 persons each 6 years, 1 person 4 years; NCOP, 1 person 4 years; CSO, 2 persons total 7 years.	
2. <u>Technical Assistance/Short Term</u>	\$1,485,000
85 person months	
3. <u>Training</u>	\$2,590,000
Long Term: 57 person years, \$1,425,000; Short Term: 150 person months, \$965,000.	

4. <u>Commodities</u> (\$615,000, plus \$60,000 fee)	\$ 675,000
Vehicles (9)	\$130,000
Minicomputer	\$200,000
Microcomputers	\$110,000
(MAWD/PD-3; NCDP-2; mur-2; RDSB-1; Namboard-1; MOC-2)	
Upgrading computer systems	\$ 65,000
Books, periodicals	\$ 40,000
Office equip/supplies	\$ 45,000
(photocopiers (2), calculators, cassette recorders, other)	
Conference Facility	\$ 25,000
(slide projector unit-1; sound projector unit-1; photocopiers-2; public address-1; video recorder, television and camera-1; spares)	
5. <u>Administration/Monitoring</u>	\$ 90,000
6. <u>Contingency at 7%</u>	\$ 661,000
7. <u>Inflation at 5%</u>	\$ 101,200
Total	\$11,113,000.00

#### B. The Grantee

In addition to its general obligation under Section 3.2 of this Agreement to provide funds and resources needed for the Project, the Grantee will make specific contributions to the project from two sources: (1) local currency counterpart funds (estimated at \$2,863,000, equivalent in Zambian kwacha), and (2) GRZ regular budget resources (estimated at \$3,467,000, equivalent in Zambian kwacha). These are summarized below:

#### Counterpart Funds: Life of Project

1. <u>Technical Assistance</u> (administrative support)	\$ 270,000
2. <u>Studies</u> (enumerators/supervisors/drivers; travel and per diem; equipment; printing)	\$ 500,000

3. <u>Construction</u> (Conference Facility)	\$ 400,000
4. <u>Training</u> (Cost of In-Country Courses)	\$ 635,000
5. <u>Project Activity Support</u>	
Miscellaneous Operating Costs	\$ 95,000
Vehicle Support	\$ 225,000
6. <u>Project Administration/Monitoring</u>	\$ 125,000
7. <u>Contingency</u> at 7%	\$ 158,000
8. <u>Inflation</u> at 10%	\$ 456,000
<u>TOTAL COUNTERPART FUNDS</u>	\$2,864,000

The remaining host country contribution represents annual contributions by institution from budgeted salaries for long and short term participant trainees, in-country training participants, some per diem costs for trainees; salaries for staff participating in project activities; office space and administrative support; existing levels of per diem, travel and vehicle support; and other items provided to project activities as part of already-budgeted operating costs. This item totals the local currency equivalent of \$2,520,00, plus contingency and inflation at \$947,000, for a grand total of \$3,467,000.

### III. Illustrative Financial Plan

The illustrative Financial Plan (Table 1) sets forth the planned contributions of the Parties. Changes may be made to the Plan by written agreement of the representatives of the Parties identified in Section 8.3 without formal amendment of the Agreement, provided such changes do not cause (1) A.I.D.'s Grant contribution to exceed the amount set forth under Section 3.1 or (2) the Government's contribution to be less than the amount set forth under Section 3.2.

This is an incrementally funded project. Table 1 shows obligations under this agreement, for FY 87, and anticipates obligations for future years. Future A.I.D. obligations are subject to the availability of funds and mutual agreement of the parties to proceed.

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Table 1  
Illustrative Financial Plan: ZATPID II  
(\$ 000)

PROJECT INPUTS	Obligations FY 87	Obligations Future Years Anticipated	Obligations Total Anticipated
Technical Assistance			
Long Term	500	4,012	5,512
Short Term	385	1,006	1,391
Training	485	2,145	2,630
Commodities	420	323	743
Admin/Eval	10	100	110
Contingency	200	527	727
<b>TOTAL</b>	<b>3,000</b>	<b>8,113</b>	<b>11,113</b>

Table 2 shows an illustrative breakdown of total project costs for both A.I.D. and the GRZ. The budget includes costs by input and by institution for each project year.

#### IV. Implementation Plan

Primary responsibility for project management will be with the A.I.D. Project Manager. The primary GRZ institution responsible for implementation of the ZATPID II project is the Ministry of Agriculture and Water Development, Planning Division (MAWD/PD). Implementation will require regular coordination of project activities between MAWD/PD and MOF, NCDP, CSO, and other institutions receiving ZATPID support. GRZ coordination of project activities will be through the Project Executive Committee (PEC). The Director of MAWD/PD heads the PEC, and the GRZ institutions with representatives on it will include MOF, NCDP, CSO and RDSB. The Contractor's Chief of Party and the AID Project Manager are also represented. A technical subcommittee of the PEC will be set up, to facilitate technical inputs from Ministry personnel.

The PEC will develop, along with the Contractor, annual project work plans based on proposals by each institution. The work plans will set forth short and long term training, short term technical assistance and terms of reference for each visit, studies to be conducted or completed, in-country training, and other activities to be undertaken by the advisors. The PEC will review and approve candidates for long term training and may recommend specific types of training and training sites. The PEC will select topics and approve scopes of work for each major study. The PEC will also assure GRZ support such as provision of staff, survey personnel, supplies and transport. The PEC will participate in evaluations and, in general, review project progress.

The majority of A.I.D.-financed project activities will be implemented through a direct contract with a U.S. institution. The contractor will provide appropriate long term and short term technical assistance to the key ZATPID II institutions, provide placement and support services to long and short term trainees, review commodity needs, and if so decided by A.I.D., undertake a proportion of the commodity procurement. The Central Statistical Office (CSO) will be provided assistance through a PASA (Participating Agency Services Agreement) with the U.S. Bureau of the Census (BUCEN). Logistic support for contractor staff and many project activities will be provided by USAID/Zambia's Project Support Unit (PSU).

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The authorized source and origin for procurement is Geographic Code 000 and Zambia. Commodities will be received and cleared through customs by the USAID/Zambia Project Support Unit.

Project vehicles (9) will be procured directly by A.I.D., under the Agency-wide blanket waiver for right hand drive vehicles.

A minicomputer for CSO will be procured directly by A.I.D. or by the U.S. Bureau of the Census.

Other commodity procurement to be financed by A.I.D. will be the responsibility of the U.S. contractor or will be procured by USAID/Zambia. A waiver to procure the public address system, audiovisual equipment and photocopiers from Code 935 sources has been obtained.

Local currency will be provided to the project to assist with implementation of project activities, with general uses as detailed in Section II, above. These funds are to come from counterpart generated by USAID-financed assistance programs. Funds required for specific seminars, workshops, training, operational costs and project administration will be released by the GRZ from Special Account 846 into the USAID Trust Fund on an annual basis, ideally in January of each year in accordance with budgets included in annual work plans.

PSU will provide administrative support to the implementation of local project activities upon request of the contractor's Chief of Party to the USAID Project Manager. The administrative support also includes providing logistic support to the training activities and making arrangements for payments of vendors/creditors under the project.

#### Proposed Schedule of Activities

<u>Date</u>	<u>Action</u>
11/86	Project Authorization
12/86	Grant Agreement Signed
12/86	Conditions Precedent Met
12/86	Local Currency Agreement Signed with GRZ

12/86	Issue RFP
2/87	Technical Evaluation of Proposals
3/87	Contract Negotiations
5/87	Contract Signed
6/87	First Contractor Team Member Arrives
8/87	Full Contractor Team In-country
8/87	First Long Term Trainee Departs
8/87	First Short Term Trainee Departs
12/87	First In-country Training Given
12/87	PEC Prepares Annual Workplan
1/88	LC Funding Released for Year
10/88	Annual Internal Review
12/88	PEC Prepares Annual Workplan
1/89	LC Funding Released for Year
10/89	Annual Internal Review
12/89	PEC Prepares Annual Workplan
1/90	LC Funding Released for Year
2/90	Mid-Term External Evaluation
10/90	Annual Internal Review
12/90	PEC Prepares Annual Workplan
1/91	LC Funding Released for Year
10/91	Annual Internal Review
12/91	PEC Prepares Annual Workplan
1/92	LC Funding Released for Year
10/92	Annual Internal Review
12/92	PEC Prepares Annual Workplan
1/93	LC Funding Released for Year
8/93	Final Evaluation
10/93	Project Assistance Completion Date

## V. Evaluation

Evaluation, both formal and informal, will be important to the success of the project. Since much of the project's direction in terms of participant selection, analysis, and in-country training will be determined during the course of implementation, annual reviews of the project's course are essential, and are to be conducted by USAID/Zambia in consultation with the PEC, the project's resident advisors, and a representative from REDSO/ESA (Nairobi) or AID/Washington. The annual internal reviews should examine timeliness of inputs and any implementation or management problems, and also examine the appropriateness of ongoing or planned activities given the constantly changing policy and socioeconomic environment.

These in-house reviews should be held each year during the October-November period, so that the results will be available to inform the PEC as it prepares the annual workplan for the following year.

In addition to the annual internal reviews, there will be two formal external evaluations during the life of the project.

- (1) A mid-term evaluation should take place during the project's third year in order to guide the final years of implementation. This evaluation will focus in particular on whether the expected outputs have been achieved, and on the apparent progress toward achievement of the project purpose and the expected end of project status. It will evaluate 1) the extent to which the activities supported and personnel trained under the project have had a positive impact on agriculturally related policies, 2) the effectiveness of project management by USAID, the contractor, and the GRZ, and 3) the general direction of the project as compared to its original design; and it will recommend ways to improve any of the above.
- (2) A formal end-of-project evaluation will be conducted to assess the overall success or failure of the project to achieve the project purpose and the expected end-of-project status.