

APPLIED AGRICULTURAL RESEARCH AND OUTREACH
660-0091

PROJECT PAPER SUPPLEMENT

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Project Paper Supplement
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I. Project Summary

- A. This supplement amends the original Project Paper by increasing the Life of Project Funding by \$5 million, to a total LOP Funding of \$15 million. The purpose of this amendment is to enable an extension of the cooperative agreement for the implementation team from July 1988 through the PACD, September 1989, fully fund the training of 34 Masters and Doctoral candidates, and increase funding and number of technical commodity and vehicle purchases.
- B. The Project will achieve this purpose by (1) allowing for the negotiating of a continuation of the Cooperative Agreement between the International Institute of Tropical Agriculture (IITA), (2) utilizing a Project Implementation Letter with the Government of Zaïre to return to a fully funded budgetary level for the training of 14 PhD and 20 Masters candidates, and (3) devise a commodity and vehicle purchase plan to acquire needed technical instruments for research and up to 24 vehicles and spares necessary to do qualified field research.
- C. The Project will continue to work with the Government of Zaïre's Ministry of Agriculture and its Project implementation agent, Recherche Agronomique Appliqué et Vulgarisation (RAV). The original purpose of the Project remains the same: to improve and expand the ability of the Ministry of Agriculture to undertake applied agricultural research activities and to transfer agricultural technology needed to increase village cultivators production of food crops. The Project Purpose and End of Project status indicators are unchanged.

II. Project Background

- A. The Project Paper was written for a ten year Project, in phases of six and four years. The Project began in September 1983 with the authorization of a \$10 million Foreign Exchange grant. The PACD was set for September 30, 1989. The Project Paper called for the integration of several research components into one entity, RAV. Thus the national maize (PNM) cassava (PRONAM) and legumes (PNL) Projects would be brought together to work toward developing cultivars leading to increased agricultural production. An extension/outreach component of the Project was designed to disseminate research results and new management techniques to Government of Zaïre extension personnel, as well as non-governmental extension personnel and farmer groups. A Farming Systems Research component was also established to investigate farm level constraints to production and to demonstrate and recommend new techniques.

- B. In order to provide the most competent research team available to the Project, a Cooperative Agreement was negotiated with IITA. This agreement provides for a 14 member team to act in an advisory capacity to the GOZ staff. IITA staff are posted at three main research stations and are involved in plant breeding, farm management, extension and entomology. Additional personnel work in Kinshasa as Chief of Party and heads of the Farming Systems Research and Training/Outreach components. An administrative officer also works in Kinshasa. The agreement with IITA is for the period July 1985 to July 1988. The Project Paper called for 45 man years of work. However, IITA argued strongly for additional technical assistance support to the Project. On consideration of these arguments, USAID decided that to firmly establish a research institution, 84 man years would be necessary and this was entered into the IITA agreement. This amendment will fully fund the required Technical Assistance. Original funding levels were not sufficient to fully fund the Cooperative Agreement.
- C. A training component was planned which would send 14 participants for doctoral study and 20 participants for master level education at U.S. Universities. These participants would be selected from working project personnel by a committee established within the project. It was estimated to take 3 years to earn a masters and 5 years for a doctorate. It has proven difficult to obtain qualified candidate from within the Project (see III B below), at present 12 people have been selected and are pursuing courses in various disciplines at universities and colleges throughout the United States.
- D. The commodities needed for the Project were to be met by a combination of donations of vehicles and equipment by other donor countries and by purchases with local currency generated by various GOZ programs and counterpart funds. While the United Kingdom did donate 10 vehicles to the Project, no other donations have been forthcoming. Also none of the planned donations of technical equipment have been made. To further complicate meeting commodities needs of the Project, planned GOZ local currency funding has also not been forthcoming at expected levels due to severe economic constraints in the country and IMF restrictions on budget levels. Only counterpart funds have been available, and these have had to be used for operating capital and construction. The Project still requires vehicles and technical equipment and now must turn to the use of dollars to purchase these commodities.
- E. In August and September of 1986 a mid-term evaluation of the Project was conducted. In general, while there were specific areas which needed directed action, the overall research capacity was commended. Points of particular attention in the evaluations were training and commodity purchases, both of which were shown to be lagging behind the Project Paper implementation plan. The evaluation team noted that the procurement plan developed by the IITA procurement specialist in 1981 no longer reflected current costs. The evaluation team also stated that the IITA team was working well, though there were some areas in which better collaboration with GOZ and AID staff were possible.

III. Project Description

- A. In order to complete the first six year phase of the Project and achieve project objectives of establishing a research system and training Zairians to manage it, it is imperative that the contract team be continued. This continuation from July 1988 through September 1989 will allow the contract team to complete another year of research trials and quantify results. Research plans for the follow-on segment of four years can be completed. Zairian project staff will also have received an additional year of on the job training and technical assistance from the team with whom they have already worked for three years. The Farming Systems Research component will be strengthened by this additional year in that it will be able to work with more additional farm families. The Training/Outreach service will likewise benefit from the Cooperative Agreement extension by being able to spread research results and management techniques to more groups and individuals.
- B. The training component will be fully funded and utilized. In December of 1986, the USAID/Kinshasa mission director authorized the training of participants from Bachelor through Masters degree. The Project has had difficulty in locating qualified candidates from within the Ministry of Agriculture to pursue graduate degrees. This authorization allows three year college degree holders from Zaïre to be admitted to a U.S. University to complete a fourth year required for a Bachelor degree and then continue for a Masters degree. The Project committee has now selected eight candidates to be trained using this method of successive degrees.
- C. In recognizing the previous level of vehicle and equipment donation, this supplement will not take into account any donations of commodities. It also recognizes that given Zaire's present economic situation and IMF restrictions any GOZ local currency funding for commodity purchase will probably not be forthcoming. As a result, the dollar requirement for commodities will almost double. At the present time, two large purchases are being formulated which will utilize almost three quarters of the current budget line item. Vehicles and additional technical and farm equipment needed to strengthen research and extension activities can not be purchased with current funding levels. To establish a research institution, especially one dealing with three distinct crop types, in six vastly separated areas of Zaire, requires an increase in dollar financing that was not planned almost five years ago. Worldwide inflation, and higher purchase and shipping costs have made the original budget inadequate to acquire requisite materials. This increase in dollar funding is also necessitated by the previously noted lack of a GOZ local currency contribution which was to have been used for vehicle and commodity purchases.

V

D. Success of the Project will be measured by the development of and usage by small farmers of new genetic material, cultivars and seeds. Estimates of the Projects benefits can be calculated by increased production of food crops. The Project has already begun distributing cassava cultivars which have resulted in significant production increases in the cassava growing areas of the Bas Zaire and Bandundu regions. Maize varieties developed by the maize component (PNM) have already enabled development Projects such as North Shaba (660-0059) to double yield on small-holder fields. As improved varieties of maize and peanut are forthcoming from ongoing research, increases in maize and peanut production will begin to offset the imports of maize flour and peanut oil. These increases will take a number of years, but will be an easily quantifiable measure of the Project's success.

V. Commodity Purchases

A. To insure that the Project will be able to conduct research on stations, trial plots and farmer plots, several types of vehicles are required. Most of these vehicles had been foreseen to be donations of other donor countries which have not all been forthcoming nor will be. The Project must therefore purchase them. In particular, the following will be ordered. Waivers will be required for 14 four wheel drive vehicles, a previous waiver for 10 vehicles has already been approved by AID/W. (Order dates in parenthesis).

1. 24 four wheel drive vehicles and spares (6/87, 9/87, 3/88)
2. 12 farm tractors and spares (6/87)
3. 6 twelve ton trucks and spares (6/87)
4. Workshop equipment (6/87).

B. For research work there is a large amount of scientific equipment needed to equip laboratories. This ranges from trial balances and flasks to spectrometers and chemicals. The IITA team, working with GOZ counterparts, will prepare semi-annual lists of research equipment, which will be forwarded to the AID Project officer for procurement. An emergency procurement system for highly specialized equipment will be established between USAID/Kinshasa and IITA. Research equipment purchases have been delayed pending the arrival, placement and development of research of agenda of IITA personnel, and the placement of specific equipment and supplies orders. These requests are now being processed, and represent a greater dollar expenditure than was planned.

VI. Project Authorization

Delegation of Authority No. 551 dated 27 December 1986, Section 4(2) gives the Mission Director the "authority to amend Project Authorizations executed by any AID official unless: a) the Amendment will result in total Life of Project Funding of more than \$30 million." This amendment for \$5 million will not exceed \$30 million total Life of Project Funding, thus the amendment may be authorized by the Mission Director.

IV. A Financial Plan

The following annex provides information on the Financial Plan.

A N N E X

I. Technical Assistance

A. IITA Cooperative Agreement
July 85 - July 88 \$(000)

	<u>Month</u>	<u>Salary</u>	<u>Fringe</u>	<u>Allowances</u>	<u>Travel</u>	<u>Total</u>
COP	36	129.9	34.8	150.4	18.6	333.7
Admin.	36	113.6	25.5	5.1	5.1	269.3
Farm Mgr.	36	97.4	22.2	155.8	5.1	280.5
Services Eng.	24	52.0	6.0	102.6	3.4	164.0
Maze B	32	101.0	18.3	167.8	8.1	295.2
Legumes*B	31	99.0	19.8	118.8	8.1	245.7
Ento.	36	113.6	25.5	125.8	8.1	273.0
Agro.	28	92.9	15.0	137.8	8.1	253.8
Agro.	12	35.0	4.8	65.6	2.7	108.1
Agro.	31	84.9	16.5	36.2	8.1	145.7
Econ.	28	103.2	27.6	189.9	8.1	328.8
Econ.	25	69.9	15.8	133.0	8.1	226.8
T/O	36	113.6	31.7	130.4	8.1	283.8
T/O	36	113.6	31.7	146.8	8.1	300.2
	<u>427</u>	<u>1319.6</u>	<u>295.2</u>	<u>1786.0</u>	<u>107.8</u>	<u>3508.6</u>

B. IITA Cooperative Agreement
July 88 - September 89 (15 months) (\$000)

	<u>Salary</u>	<u>Fringe</u>	<u>Allowances</u>	<u>Travel</u>	<u>Total</u>
COP	58.4	15.4	59.9	7.7	141.4
Admn.	51.0	11.3	48.1	2.1	112.5
F. Mgr	43.7	9.8	53.3	2.1	108.9
Ser. Eng.	33.8	3.8	45.8	2.1	85.5
Maze B	51.0	8.4	32.5	3.4	95.3
Leg. B	51.0	9.8	41.3	3.4	105.5
Ento	51.0	11.3	48.8	3.4	114.5
Agron. M	52.5	8.4	45.9	3.4	110.2
Agron. L	43.7	6.0	55.7	3.4	108.8
Agron. G	43.7	8.4	37.7	3.4	93.2
Econ. M	58.4	15.5	66.8	3.4	144.1
Econ. L	43.1	9.8	43.7	3.4	100.0
O/T N	51.0	14.0	50.1	3.4	118.5
O/T M	51.0	14.0	57.5	3.4	125.9
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	683.9	145.9	687.1	48	1564.3

Total Coop. Agreement Costs:

1,564,900	(July 88 - Sept 89)
<u>3,508,600</u>	(July 85 - July 88)
5,073,900	
953,800	(IITA overhead 18.8%)
<u>100,000</u>	(Consultants)
\$6,127,300	(TILL PACD)

C. Other TA Till PACD

(Earmarked and disbursements being made)

Project Officer	354,000
Program Assistant	73,300
Outreach Kiyaka	360,800
ISNAR	98,000
Fiebig	11,200
Shannon	19,100
OICD	83,500
Purdue	70,000
Lebeau	11,100
PNL Eval.	23,000
Audit	30,000
<u>Reserved</u>	
Final eval.	<u>100,000</u>
	\$1,234,000
Cont (10%)	123,400
	<u>\$1,357,400</u>
Cooperative Agreement	6,126,600
Other TA	1,357,400
TOTAL TECHNICAL ASSISTANCE	<u>\$7,484,000</u>

	Old	Increase	Revised
Technical Assistance	5,994,503	1,505,497	7,500,000
Commodities	1,900,297	2,599,703	4,500,000
Training	1,843,209	856,791	2,700,000
Other Costs	261,991	38,009	300,000
Contingency	0		
	<u>10,000,000</u>	<u>5,000,000</u>	<u>15,000,000</u>

LIFE OF PROJECT COUNTERPART FUND BUDGET (Est)

	CY84	CY85	CY86	CY87	CY88	CY89	TOTAL
Personnal	11,000	28,980	54,560	89,770	134,655	201,983	520,948
Transportation	2,000	12,187	21,007	29,447	44,171	66,256	175,068
Office	3,000	36,813	14,671	9,700	14,550	121,825	200,559
Housing	0	0	0	935	1,403	2,104	4,442
Construction	1,000	7,940	46,030	126,108	300,000	0	481,078
Research	1,000	4,198	10,813	7,851	11,777	17,665	53,304
Training	0	930	1,760	1,715	2,573	3,859	10,837
Contingency	2,000	6,715	6,624	2,435	3,653	5,479	26,906
TOTAL (Z000)	20,000	97,763	155,465	267,961	512,780	319,169	1,473,142
TOTAL (\$000)	625	1,955	2,591	2,144	2,849	1,773	11,937

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AUTHORIZATION AMENDMENT

Name of Country: Zaire Name of Project: Applied Agricultural
Research and Outreach

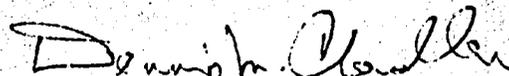
Number of Project: 660-0091

1. Pursuant to Section 103 of the Foreign Assistance Act of 1961, as amended, the Applied Agricultural Research and Outreach Project of Zaire was authorized on 13 September, 1983. That authorization is hereby amended as follows:

a. Paragraph 1 is deleted in its entirety and the following paragraph substituted in lieu thereof:

"Pursuant to section 103 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Applied Agricultural Research and Outreach Project (660-0091) for Zaire involving planned obligations of not to exceed \$15,000,000 in grant funds over a six year period from date of initial obligation subject to the availability of funds in accordance with the AID OYB/allotment process, to help in financing foreign exchange costs for the project. The planned life of the project is six years from the date of initial obligations.

2. The authorization cited above remains in force except as hereby amended.



Dennis M. Chandler

Date: 16 June 1987