

PROJECT DATA SHEET

1. TRANSACTION CODE

A = Add
 C = Change
 D = Delete

Amendment Number

DOCUMENT CODE

3

2. COUNTRY/ENTITY

Sudan

3. PROJECT NUMBER

650-0047

PDBBME30

4. BUREAU/OFFICE

AFRICA

06

5. PROJECT TITLE (maximum 40 characters)

Agricultural Planning and Statistics

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)

MM DD YY
04 30 87

7. ESTIMATED DATE OF OBLIGATION

(Under "B:" below, enter 1, 2, 3, or 4)

A. Initial FY 81 B. Quarter 4 C. Final FY 83

8. COSTS (\$000 OR EQUIVALENT \$1 =)

A. FUNDING SOURCE	FIRST FY \$1			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	1470		1470	7300		7300
(Grant)	1470		1470	7300		7300
(Loan)						
Other						
U.S.						
Host Country		629	629		3421	3421
Other Donor(s)						
TOTAL	1470	629	2099	7300	3421	10721

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) ARDN	183	020		1977		2400		7300	
(2)									
(3)									
(4)									
TOTALS				4900		2400		7300	

10. SECONDARY TECHNICAL CODES (maximum 7 codes of 3 positions each)

053 054 052

11. SECONDARY PURPOSE CODES

182

12. SPECIAL CONCERNS CODES (maximum 7 codes of 3 positions each)

A. Code BS ER
B. Amount

13. PROJECT PURPOSE (maximum 400 characters)

To assist the GOS to strengthen its policy analysis and planning capability in the agricultural sector

14. SCHEDULED EVALUATIONS

Interim MM YY 019 812 MM YY 019 813 Final MM YY 019 816

15. SOURCE/ORIGIN OF GOODS AND SERVICES

000 941 Local Other (Specify)

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a 15 page PP Amendment.)

This amendment will provide for the addition of a production economist to the long-term technical assistance team; short-term consultants in the area of policy analysis, marketing and export promotion and the design of a rainfed sector strategy; and two long-term U.S. advisors for the University of Khartoum to upgrade the curriculum and resources of the Department of Rural Economy.

17. APPROVED BY

Signature

Title

Director, USAID/Sudan

Date Signed

MM DD YY
017 3 18 83

18. DATE DOCUMENT RECEIVED IN AID-W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION

MM DD YY

AGRICULTURAL PLANNING

AND

STATISTICS PROJECT

(650 - 0047)

PROJECT PAPER SUPPLEMENT

BEST AVAILABLE DOCUMENT

2

TABLE OF CONTENTS

	<u>PAGE</u>
I. Project Recommendations and Summary	1
A. Recommendation	
B. Project Summary	
II. Original Project Description and Progress to Date	2
A. Project Description	2
B. Progress to Date	3
III. The Proposed Amendment	5
A. Rational	
B. Description of Amended Project Components	6
1) Long Term Technical Assistance	
2) Short Term Technical Assistance	
3) Long Term Training	
4) Short Term Training	7
5) Commodities	
6) Other Costs	
IV. Financial Plan	8
V. Economic Analysis	0
VI. Social Analysis	0
VII. Revised Implementation Plan	1
Annexes	
A. Job Description : Production Economist	
B. Revised Implementation Schedule	
C. AID/W Amendment Approval Message.	

BEST AVAILABLE DOCUMENT

I. Project Recommendations and Summary

A. Recommendations

The mission recommends the authorization of an amendment to the Agricultural Planning and Statistics Project (APS; 650 - 0047) be approved in the amount of Dols 2.4 million including a contingency which will increase the overall LOP foreign exchange funding to a rounded total of Dols 7.3 million. This increase in life-of-project funding is judged essential to the success of the APS Project. The Ministry of Agriculture will represent the GOS as the grantee for the life of the five-year project (FY 81-86). As in the original Project Paper, the Planning and Agricultural Economics Administration (PAEA) within the Ministry of Agriculture have been and will continue to be the executing agency for the project.

This supplement will require no special conditions precedent, however a waiver is required to restrict the recruitment of a fifth member (Production Economist) of the technical assistance team. AID/W will be requested to approve such a waiver limiting the recruitment to the two existing contractors (USDA/OICD and Checchi and Company) involved in the APS Project.

B. Project Summary

This Project Paper Supplement (PPS) provides for:

- 1) An increase in long-term technical assistance to the PAEA with the addition of a Production Economist over three years;
- 2) An increase in funding for short-term consultants to provide professional support for the long-term advisor and/or carry out discrete but critical studies for the PAEA;
- 3) An increase in funds to support short training, commodity purchases and other project costs;
- 4) Assistance to the Department of Rural Economy, University of Khartoum to provide Master's degree training to middle-level officers of the PAEA.

II. Original Project Description and Progress to Date

A. Project Description.

The purpose of the Agricultural Planning Statistics and Project (APS) is to assist the Government of Sudan (GOS) in strengthening its policy analysis and planning capability in the agricultural sector. The development of a more effective policy analysis and planning capability is crucial for the GOS to effectively utilize domestic and foreign donor resources, develop its agricultural sector, increase production and improve levels of living and enable households in the traditional rainfed sector to better participate in and contribute to the overall economy. The project is under the overall direction of the Director-General of the Planning and Agricultural Economics Administration (PAEA) of the Ministry of Agriculture. The PAEA is divided into three departments -- 1) Project Formulation and Monitoring, 2) Agricultural Economics and Statistics and 3) Animal Production Economics.

The project has three components which have the following objectives: (1) To strengthen the capability of the Ministry of Agriculture (MinAg) to identify, prioritize and analyze critical macro-economic, trade and marketing problems and issues; (2) to develop a reliable agricultural data base and reporting system to generate timely agricultural statistics to support policy analysis, decision making and agricultural planning; and (3) to strengthen the capability of the MinAg to identify, appraise and plan the agricultural development process in the Sudan.

The policy analysis component supports the MinAg in directing policy and analysis to priority problem areas and issues to insure that the analyses undertaken provide timely and relevant information to the decision-making process. This component is staffed by two policy advisers. One concentrates on macro-economic analysis and the second focuses upon agricultural trade and marketing analysis. Despite considerable growth potential, agricultural production in the Sudan has barely kept pace with population growth. Moreover, increases in production in the last decade have been achieved mainly via area expansion with stable or declining crop yields. Food imports continue to expand, contributing to the country's growing trade deficit which in 1980/81 exceeded one billion dollars. High rates of subsidy on food, principally sugar, wheat flour and bread, have greatly burdened the recurrent budget. The adverse trends are in large part a result of poor and inappropriate agricultural policies that have emanated from the country's inadequate and underdeveloped agricultural policy structure. The policy analysis component of the proposed project is directed toward eliminating these deficiencies by strengthening the analytical capabilities of the PAEA, particularly in the areas of economic analysis and policy formation.

The agricultural statistics component of the project, supports the MinAg in strengthening the statistics program in two areas: (1) the design and implementation of a central statistics office to collect agricultural data from regional offices, regional projects and research

centers and other public and private sources; to process, manage, and store such data; and to disseminate both annual and periodic reports in a timely manner; and (2) to interact with the policy analysis component to determine the amount, type, and format of statistics required for high-priority data-gap areas. Lack of adequate data about the agricultural sector, and particularly for the traditional, rainfed sector, is a severe constraint to the development of effective policy analysis, and the development and evaluation of investment priorities for projects and programs resulting from the planning process. The component is designed to help overcome the data/information constraint by developing and implementing an effective data collection and management system. This component is staffed with a project agricultural statistician.

The planning component will support the field in strengthening its ability to design, appraise and implement agricultural projects and programs. This component is staffed by a senior agricultural planner who will also be responsible for developing and maintaining the important functional linkages between the policy analysis and statistics components of the project.

Project inputs include four long-term advisors (macro economist, marketing and trade analyst, agricultural statistician and project planner), two microcomputers and associated software, vehicles, limited funds for short and long-term training, and short-term consultants and funds to conduct surveys and undertake economic policy studies.

B. Progress to Date

The APS was authorized by the USAID Director on June 5, 1981. The authorized level of funding is Dols 4.9 million. The initial condition precedent to disbursement was satisfied December 8, 1981. The project is fully funded.

In January 1982, before the selection of long-term advisors, the job descriptions of two of the four were changed to reflect a strong GOS and USAID desire to place more emphasis on policy analysis. The two former positions (policy advisor/team leader and agricultural economist) were replaced with job descriptions for a macro-economic policy analyst and an agricultural trade and marketing analyst. The previously defined responsibilities of a part-time team leader were transferred to the Project Director who is the director-general of the Planning and Agricultural Economics Administration.

The USAID/DICD was contracted in May 1982 to provide the project statistician and the agricultural planner. These two advisors arrived at post June/July 1982. The project statistician has installed the hardware and set-up the computer facility. Both formal and informal training courses for Sudanese staff have been conducted. Progress has been made toward establishing statistical files of crop production data. The project planner has assembled numerous project planning documents and established a list of planned and on-going agricultural projects in the Sudan. Project descriptions for each project have been prepared. Project planning and appraisal procedures, as well

4

as criteria for ranking project planning priorities have been established. The planner, along with three counterparts, has worked with and advised the Darfur Regional Ministry of Agriculture on how to establish a small regional planning capacity. Two in-country six-week project appraisal courses for Ministry personnel have been planned, one for September/October 1983 and the second for January/February 1984. Two project planning studies are planned for the current year.

The RFP for two long-term policy advisors and associated support was issued May 18, 1982. Contract was signed with Checchi and Co. January 26, 1983 and the policy advisors arrived during January/February 1983. The policy advisors have spent most of their time to date becoming familiar with the on-going and planned activities of the planning administration. A great deal of time has been used to determine availability of data, studies and reports. Discussions have been held to determine priorities for policy oriented economic studies. A preliminary workplan is being established and initial studies are now underway on the economic feasibility of adopting composite flour (sorghum/wheat) in bread making and on supply and demand projections for fertilizer use in the irrigated and rainfed sectors.

A short-term training plan has been established. To date two PAEA planners have been sent to Cairo for a 12 month planning course. Two counterparts have completed a short course on national fertilizer sector analysis at the International Fertilizer Development Center (Alabama) and are currently designing such a study for the Sudan to be implemented in the current year. Two short courses on project planning and appraisal, involving up to 20 participants each, will be conducted with USAID/ICD support, in Khartoum in October 1983 followed by a more advanced level course in February 1984. Two four-week courses have been conducted to date in Khartoum on the use and maintenance of project computers and associated software. On-the-job training to further develop computer and statistical skills is in process. The limited training budget will permit some further short-term training over the next 12 months but not to the extent needed to up-grade the functional skills of PAEA staff. Present funding for long-term training will permit only 5 counterparts to undertake masters degree training in the U.S. The PAEA is currently assessing the most important areas for this training.

Two micro-computers have been procured, installed and tested and made operational. Five project vehicles have arrived; office supplies and equipment have and/or are being procured; household furniture and appliances have been procured for project advisors; office space has been renovated; and office furniture has been procured for advisors and counterparts. Additional commodities will be procured in near future.

III. The Proposed Amendment

A. Rationale for Amendment: Sudan's macro-economic circumstances dictate the need to address the major policy constraints to increased agricultural production, efficient commodity marketing and expanded export trade. Given the importance of agriculture in terms of gross domestic product, import substitution, and foreign exchange earnings, it is the agricultural sector which can make the greatest contribution to Sudan's economic recovery in the near to intermediate term.

Agricultural planners and policymakers in the Sudan face a formidable challenge. In the intermediate to long-term, products of research, more effective systems of technology transfer, and improved input delivery systems must be designed, tested, disseminated and/or put into place. However, in the shorter to intermediate-term critical economic studies and policy oriented analyses must be undertaken to identify major production and marketing constraints, particularly public policies which discourage or do not provide adequate incentives for farmers to innovate and increase production for domestic and export markets. The planning and Agricultural Economic Administration is in the process of revising a comprehensive policy analysis and planning agenda. The list of justifiable, priority micro and macro-economic studies is far greater than the project can address, and in a few instances not within the professional experience of the existing technical assistance team provided by the project. Consequently the project amendment calls for additional long-term technical assistance, plus incremental funding to utilize more short-term consultants.

In order to avoid a prolonged period of long-term technical assistance, additional training funds are requested to increase the professional and functional capacities of PAEA staff. A critical training requirement is to provide graduate level training to more agricultural economists and agricultural planners than can be achieved with the limited level of long-term training funds currently available under the project. The proposed project amendment addresses this requirement.

In addition to technical assistance and formal training, the proposed amendment provides for a modest increase in commodity support and operating expenditures.

The Agricultural Planning and Statistics Project is considered by both the GOS and USAID as a top-priority effort and at least from the point of view of USAID, a project of strategic importance in the area of economic and agricultural policy reform and sector planning. In order to achieve the purpose of the project and deal with the agricultural issues and priorities of the GOS, the proposed project amendment is considered essential and within the capacity of the planning Administration of the Ministry of agriculture to implement. Further, the amendment will measurably improve both the professional capacity and credibility of the Ministry of Agriculture to effectively deal with agricultural policy formulation as well as planning for major increases in production, reliable food supplies and agricultural export earnings. These are strategically important requirements for the Sudan if it is to move toward and achieve economic recovery within the decade of the 1980s.

8

B. Description of Amended Project Components:

1. Long-Term Technical Assistance

This amendment will finance a production economist to complement the existing four-person APS team in analytical capacity and training functions. The person will focus on selected microeconomic topics and analysis which are essential inputs to project planning, marketing and macro-policy formulation. Given the need for a rapid policy response capacity on issues related to farm level investment and the adoption of new technologies in the rainfed sector, the initial focus will be on cost of production studies, planning strategies to improve productivity and income in the rainfed sector, and the institution-alization of a PAEA capacity to provide policy-makers with appropriate studies. The Terms of Reference for this advisor is included in Annex A. Estimated costs for this addition are Dols 450,000.

2. Short-Term Technical Assistance

The amendment will supplement existing funding of which approximately 60 percent has already been committed. It is envisioned there will be continuous need for short-term consultants to supplement the work of project advisors in the areas of policy analysis, marketing and export promotion, and the design of a rainfed sector strategy. An estimated additional 20 PM is planned for an additional cost of Dols 320,000.

3. Long-Term Training

This line item is underfunded at Dols 150,000 over the LOP. Rather than send 2 or 5 candidates from the PAEA for Ph.D. or MS training in the US, this amendment will bring two U.S. professors to the University of Khartoum for 3 years. Meetings have been held with representatives of the University of Khartoum, Ministry of Agriculture, and USAID. These meetings identified a strong interest and need to up-grade the curriculum and resources of the Department of Rural Economy at the University of Khartoum.

An institutional contract will be awarded to an American Department of Agricultural Economics, following BIFAD procedures, to provide two visiting faculty members to the Department of Rural Economy. The professors will teach and supervise masters' thesis research.

The Department has requested a production economist to teach graduate courses in production economics theory and quantitative techniques (linear programming and econometrics) and economic development. A second agricultural economist will teach graduate courses in economic development and project planning and appraisal. Both US professors will have the status of Visiting Professors in the Department of Rural Economy.

The Department of Rural Economy has agreed in principle to accept up to ten MSc candidates per year from the Ministry of Agriculture. P.L. 480 Title III local currencies would be used to provide full-cost fellowships (LS 8500/ candidate for a two-year MSc program). Dollars provided by the project amendment will be used to support U.S. faculty salaries, benefits, travel, etc. and local currencies will be used to pay for rent, utilities and other local costs.

The principal benefits of this element of the proposed amendment are 1) much larger number of Ministry planners and agricultural economists can be trained (up to 20-30 MSc over 3-4 years), 2) establishing important professional links and levels of cooperation between the Ministry of Agriculture and the University of Khartoum, and 3) measurably up-grading the resources and graduate training of the Department of Rural Economy. Another aspect of this element is the establishment of a trust fund for one chair in agricultural economics, using PL 400 local currency, in order to attract to the Department a highly qualified and experienced Sudanese agricultural economist. It is envisioned that the prestige and financial incentives associated with a professional chair would be sufficient to encourage the recruitment of such required professional economists to train young Sudanese professional agricultural economists.

The amendment also will use local currency and a modest amount of foreign exchange to cover the import content of a new building for the Department of Rural Economy. The building design will provide for faculty offices, lecture rooms and a Department Reference Library.

Estimated level of support for this element is Dols 900,000 for two visiting faculty, Dols 100,000 for commodities support and Dols 125,000 for the foreign exchange component of the department building. Total funding for this element is estimated at Dols 1,125 million.

4. Short-Term Training: Short-term training funds presently account for just less than two percent of the current budget (Dols 800,000). There is a need to supplement these funds in order to be able to increase short-term training opportunities for PAEA staff. Short-term training can be a useful mechanism to retrain and up-grade young professionals in the areas of project appraisal, marketing studies, policy analysis, data collection, statistics, international trade and public budgeting procedures. Currently the project does not have sufficient funds to meet realistic short-term training needs or to provide the necessary professional incentives required to keep young professionals in the PAEA. An estimated additional Dols 60,000 is currently planned for this element.

5. Commodities: A modest increment of funds will be required for an additional 3 project vehicles plus office supplies. The funds will be used to support the one additional long-term advisor as well as to provide additional commodity support for the project computer facility and up-grading the procedures for the collection and reporting of agricultural statistics. Estimated costs are Dols 55,000.

6. Other costs: Additional funding will be required for the operation and maintenance of project vehicles, the computer facility and miscellaneous office equipment. Currently the project has budgeted only Dols 40,000 for this purpose, which is considered to be quite inadequate over the LOP. The project also requires additional funds to support the USAID aircraft lease. It is anticipated that project advisors will increasingly be required to travel in the regions to visit project sites, major marketing centers as well as providing technical services to Regional Ministries of Agriculture for planning and statistical data collection operations. Given the conditions of roads and the distances involved, air travel will be increasingly used to minimize professional time consumed by travel. Level of funding for this element is estimated at Dols 100,000.

Relationship to Original Project: Given the emphasis on (a) policy analysis and improved agricultural planning and (b) training of Sudanese agricultural economists to carry on and supplement the professional activity of the project advisors, there will be no change in the purpose or objectives of the project via this supplement. There will, however, be significant changes in the levels of funding for technical assistance, training and a modest increase in commodity support and operational costs. A major change in the approach to long-term training is envisioned in the supplement which is considered to be more responsive to the training needs of the PAEA, as well as having the scope to achieve important benefits for young economists in training at the University of Khartoum.

IV. Financial Plan

The \$ 2.4 million proposed addition to the APS Project will consist of \$ 1.275 million (53%) for the PAEA of the Ministry of Agriculture and \$ 1.125 million of assistance to the Department of Rural Economy to train PAEA staff to the MSc level in agricultural economics. Of the total amount of amendment (\$ 2.4 million), \$ 770,000 (32%) is for long and short-term technical assistance, \$ 1,185,000 (49%) for long and short-term training, \$ 35,000 (4%) for commodities, \$ 100,000 (4%) for other costs and \$ 260,000 (11%) for contingencies.

With the amendment total LOP project funding will increase from \$ 4.9 million to \$ 7.3 million. Of this amount 45 percent is for technical assistance, 21 percent for training, 6 percent is for other costs, including direct overhead, and 12 percent for contingencies and inflation. The table on the following page illustrates original project funding and the additional funding as proposed by the project amendment.

PL 480, Title III local currencies under the amendment will be used to finance MSc Fellowships and the building to house the Department of Rural Economy. It is anticipated that LS 255,000 (30 @ LS 8,500) will be used for PAEA masters' candidates and LS 524,00 for the departmental building. In addition to local currencies \$0.125,000 has been budgeted for the foreign exchange component of the building.

TABLE 1: REVISED LOP BUDGET (DOLS 000)

INPUT	AID (FX)			GOS Title III Local Currency
	Original	Amendment	Total	
	\$	\$	\$	
I. Technical Assistance				
- Long-Term	1.800	0.450	2.250	0.280
- Short-Term	0.684	0.320	1.004	0.228
- Sub Total	2.484	0.770	3.254	0.508
II. Training				
- Long-Term	0.150	1.125	1.275	0.779
- Short-Term	0.080	0.060	0.140	-
- In-country Seminars	0.100	-	0.100	0.100
- Sub Total	0.330	1.185	1.515	0.879
III. Commodities				
- Vehicles	0.130	0.060	0.190	-
- Computer	0.200	-	0.200	-
- Office S/Equipment	0.050	0.025	0.075	0.200
- Sub-Total	0.380	0.085	0.465	0.200
IV. Other Costs				
- In-Country Travel	-	-	-	0.300
- Special Surveys	-	-	-	0.500
- Local Hire	-	-	-	0.500
- O and M	0.040	0.050	0.090	0.200
- Aircraft. Lease	0.050	0.050	0.100	-
- Indirect Overhead	0.980	1/	0.980	-
- Sub-Total (IV)	1.070	0.100	1.170	1.500
V. Sub-Total (I-IV)	4.264	2.140	6.404	2.308
Plus Cont and Inflation	0.636	0.260	0.896	0.334
VI. Total Budget	4.900	2.400	7.300	3.421

1/ Built-in to estimates.

V. Economic Analysis of Amendment

The soundness of domestic economic policies is the dominant long-term influence on development. To the extent that economic policies encourage producers to engage underutilized domestic resources in the production of agricultural commodities in which the farmer, region or country has a comparative advantage, production for domestic consumption and export will be increased. Appropriate economic policies can also encourage the private sector to improve marketing systems which will offer producers incentive prices as well as greater access to market services. Appropriate price policies can encourage production, investment in new technology and productive capacity, greater domestic and foreign trade, and appropriate food prices and consumption patterns which are economically sound and stimulate economic growth.

To achieve these objectives will require an improved professional capability in the areas of macroeconomic analysis and policy formulation, production economics, marketing and trade analysis and agricultural planning. To undertake these activities in a meaningful manner and achieve the necessary standard of analysis requires improved data collection strategies and data management systems.

The technical assistance and associated commodity support provided by the APS to the PAEA of the Ministry of Agriculture have the overall purpose to achieve these objectives. The project supplement increases the capacity of the project to achieve these objectives.

The graduate level training program as provided under this supplement will significantly increase the professional capability of Sudanese agricultural economists to carry on and expand the professional analytical and planning capabilities of the project technical assistance team.

Given the present economic crisis and the fact that only agriculture can be the main source of economic growth over the next one to two decades, the relatively modest support (\$7.3 million) provided to the GOS under the APS project is expected to achieve substantial economic benefits; namely 1) increased agricultural production, marketing and export earnings, 2) increased rural incomes and 3) increased production and marketing efficiencies. Also, sound pricing policies for producers, marketing agents and consumers are benefits anticipated under the Agricultural Planning and Statistics Project.

VI. Social Analysis of Amendment

The original Project Paper states that a principal beneficiary will be agricultural planners and policy makers who, as a result of improved agricultural data, will be able to identify more accurately production problems, short and long-run options for increasing agricultural production and consequently design projects and formulate policies which will encourage increases in both production and incomes in agriculture, particularly in the rainfed sector. To the extent production increases and more efficient marketing are realized, the overall economy is also expected to benefit. Increased agricultural exports will have a

positive impact on Sudans' foreign exchange deficit and ultimately will result in a trade surplus.

To the extent that policy analysis and improved planning focus on means to increase agricultural production and more efficient marketing, increased returns to farmers can be expected which in turn should provide incentives for the farmers, particularly in the rainfed sector, to innovate and increase production for the market. In turn, consumers, particularly low income consumers, should also benefit from lower food prices.

The increased assistance proposed in this supplement will, at the very least, serve to protect and enhance these benefits. Since the original Project Paper was prepared and before finalizing the recruitment of the four original project advisors, two of the four job descriptions were revised to respond to a need for more emphasis on policy analysis.

The proposed amendment will support this thrust by the provision of additional short and long-term technical assistance to expand policy-oriented economic analysis to increase the professional capacity of the PAEA to conduct studies which can lead to improved policy formulation for the rainfed sector.

It is believed by both USAID and the GOS that improved economic and agricultural policies are both needed and can provide the necessary incentives for (a) farmers to increase production, marketable surpluses and farm income, and (b) the marketing system to improve services and efficiency thereby offering attractive prices to farmers, domestic processors, consumers and exporters.

The proposed assistance to the Department of Rural Economy at the University of Khartoum will provide substantial capacity to train a larger number of graduate level agricultural economists (20-30) than would be possible if training were to take place in the U.S. By training this relatively large number of agricultural economists locally, the project will help to assure that Sudanese economists will be able to carry on and supplement the professional activities of the project advisors at the end of the project. Such a level of long-term training should assist the PAEA to maintain and build upon its capacity to generate useful agricultural statistics, conduct appropriate policy studies and effectively plan for production increases, improved marketing systems and continue to promote efficient agricultural exports for the overall welfare of agriculture and the Sudanese economy.

VII. Revised Implementation Plan

Expeditious action will be required by both USAID and AID/W in order to recruit and select the long-term Production Economist (3 yrs) for the PAEA and the two Visiting Professors (3 yrs, each) for the Department of Rural Economy.

A waiver will be required to limit the recruitment of the PAEA Production Economist to the two existing project contractors (JSDA/OTCD and Checchi and Co.). Each contractor is presently providing two of the four project advisors. The provision of the Production Economist reflects a continuation of project activities; the purpose and objectives of the project remain unchanged. A third contractor to

provide only one additional advisor is not practical and would unnecessarily burden project management. It is assumed these points provide a sufficient basis for requesting a waiver for non-competitive procurement for the fifth member of the project team.

The selection of a Title XII American university Department of Agricultural Economics to provide the two visiting professors for the Department of Rural Economy, University of Khartoum will be initiated and processed through the BIFAD Office in AID/W. Final selection of the American university department and the proposed candidates will be made by a committee composed of representatives from the Department of Rural Economy, PAEA and USAID. It is planned to select the candidates during November 1983 for the Visiting Professor positions with a view to achieving a February/March 1984 Khartoum ETA. Such an arrival date would permit 3 to 4 months for the visiting faculty to settle into housing and the Department as well as provide adequate lead time to prepare their course material in consultation with Department faculty for the first semester of the 1984/85 academic year which will commence in July 1984.

The funds provided for the short-term technical assistance, short-term training, commodities and other costs under the project amendment will be administered jointly by the APS Project Director and the USAID Project Officer as is presently the case. A significant proportion of the short-term technical assistance and training funds will be channelled through the project contractors (USDA/OICD and Checchi and Co.).

USAID engineers working in close collaboration with the University engineer and the Department of Rural Economy will prepare a preliminary building design to house the Department of Rural Economy. It is planned that after an appropriate site has been selected and preliminary designs, including proposed utilization of floor space for a two-story building have been completed, the actual building design including drawings, quantity specifications, construction costs and on-site supervision of building construction will be contracted to a local engineering firm.

The revised implementation plan for resources (inputs) provided under this supplement is illustrated in Annex B.

The PACD will be extended by 10 months to April 1987 when the ProAg Amendment is prepared.

Annex A.

Job Description: Production Economist for PAEA

The Production Economist shall be an employee of a U.S. contractor who will assist the GOS in strengthening its capacity to carry out policy-oriented micro-economic analysis for the agricultural sector. This individual will report programmatically to the Director General of the Planning and Agricultural Economics Administration (PAEA) of the Ministry of Agriculture. He/She also reports through normal corporate channels of the contractor to insure contractual obligations are met. This position is to commence as soon as the Project Contract has been amended.

1. Scope of Work:

The Production Economist will assist the PAEA to develop its analytical capacity in the area of microeconomics with a focus on production economics. The analyst will establish a procedure for collecting farm-level data to estimate costs of production and financial returns for the principle crops produced in major crop production areas within the rainfed sector. He/she will be equally concerned with generating appropriate data for supply response studies which will be conducted for key commodities being produced in the rainfed sector (e.g., sorghum, groundnuts, sesame and wheat in the northern region). The production economist, will from a microeconomic perspective, assist the PAEA with on-going studies which focus on agricultural price policy, farm-level production constraints and means to overcome production constraints in order to increase marketable surpluses and export trade.

The Production Economist will:

- (1) Provide on-the-job training to PAEA staff in analytical production economics and microeconomics studies;
- (2) In collaboration with PAEA colleagues and decision-makers identify major micro-economic policy issues, data needs and analytical studies to be undertaken; draw up in collaboration with the PAEA, short and intermediate-term workplans to design, conduct and report upon such economic studies;
- (3) Be able on the basis of micro-economic studies to advise policy-makers on farm-level investment alternatives, micro-economic trade-offs and development opportunities;
- (4) Design appropriate data collection procedures to establish cross-sectional and time series data bases for micro-economic analysis;
- (5) Develop and maintain close relationships with other project personnel and PAEA colleagues in order to achieve an effective and dynamic policy and planning team within the Ministry of Agriculture.

2. Desired Minimum Qualifications

A. Ph.D in Agricultural Economics with specialized training in production economics and econometrics.

B. Other training and skills which will measurably improve the candidates effectiveness include, statistics, linear programming, farm-level survey methodology, agricultural economic development, farm management, project appraisal and sectoral planning.

C. Professional experience in developing countries is highly desirable.

3. Other Factors Given Consideration:

A. Experience working in a Planning Unit of a Ministry of Agriculture in a developing country is highly desirable.

B. Demonstrated ability to train host country nationals, plan and organize work and get along with others are important attributes.

IMPLEMENTATION SCHEDULE

<u>ACTIVITY</u>	<u>DATE DUE</u>	<u>ACTION</u>
Execute Pro. Ag. Amendment	31/07/83	USAID
Issue PIO/T - Prod Economist	31/07/83	USAID
Issue PIO/T - Visiting Professors	31/07/83	USAID
Obtain waiver for Limited Recruitment of Agr. Production Economist	01/08/83	REDSO/EA
BIFAD Advertisement (Two visiting Professors)	30/09/83	AID/W
Select Production Economist	30/09/83	GOS, USAID
Contract with local Engineering Firm: Design/Costs	30/09/83	USAID
Advertise construction Contract	07/10/83	USAID
Select Visiting Professors	15/11/83	Univ. of Ktm.
Award Construction Contract	15/11/83	USAID
ETA of Production Economist	15/11/83	Contractor
ETA of Visiting Professors	31/03/83	Contractor
Completion of Univ. Building (Depart of Rural Economy)	30/09/83	Const. Firm

ATTN: AID INFO: AME 10/7/CON

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SUBJECT: SULAN: AGRICULTURAL PLANNING AND STATISTICS PROJECT 652-2047, PROPOSED AMENDMENT

REF: NAIPTOUM 5388

. THE AFRICA BUREAU HAS REVIEWED THE RATED FOR AGRICULTURAL PLANNING FOR PREPARING AMENDMENT TO SULAN PROJECT. THE PROJECT COMMITTEE WHICH REVIEWED THE PROPOSAL CONCLUDED THAT THE ADDITIONAL INPUTS PROPOSED ARE NECESSARY TO ROUND AND CONSISTENT WITH APPROVED PROJECT OBJECTIVES. REF: N:U IN-COUNTRY TRAINING COMPONENT HAS IDENTIFIED S PARTICULARLY NOTEWORTHY AND AN APPROPRIATE RESPONSE TO IDENTIFIED NEED.

. REGARDING THE ADDITIONAL ONE LONG-TERM ADVISOR MENTIONED IN PARA 7 REFTEL, A NON-COMPETITIVE SALARY APPEARS NECESSARY, SUPPORTED BY PROPER JUSTIFICATION.

. BASED ON THE ABOVE REVIEW, AAA/AFR CONCURS WITH THE APPROACH PROPOSED BY USAID TO ADD DOLS 2.4 MILLION TO THE AGRICULTURAL PLANNING AND STATISTICS PROJECT AND TO SEND THE PP, AUTHORIZATION, AND PROJECT AGREEMENT.

. AFR/PD PREPARING ON FOR AMENDMENT. WILL ADVISE DASH SUBMITTED TO CONGRESS AND WHEN WAITING PERIOD HAS EXPIRED.

. PLEASE ADVISE WHEN AMENDMENT APPROVED AND PROVIDE AFR/PD/EAP WITH COPIES OF AMENDMENT. DAM

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NNN

ACTION MEMORANDUM FOR THE DIRECTOR, USAID/SUDAN.

FROM: Peter F. Kranstover, Assistant/Project Development and Implementation.

SUBJECT: Project Authorization Amendment/Project Modification
Agricultural Planning and Statistics, Project Paper
Supplement. Project No. 650-0047.

I. Problem: Your approval is required for 1) an increase in a grant to the Government of Sudan (GOS) of \$2.4 million to provide a life of project U.S. funding amount of \$7.3 million from the FAA section 103 (ARDN) appropriation for the Agricultural Planning and Statistics Project, (APS) and for 2) an extension of the Project Assistance Completion Date (PACD) from December 31, 1985 to April 30, 1987.

II. Discussion: The Agricultural Planning and Statistics Project is considered by both the GOS and USAID as a high priority effort and of strategic importance in the area of economic and agricultural policy reform and sector planning. This amendment will measurably improve both the professional capacity and credibility of the Ministry of Agriculture to effectively deal with agricultural policy formulation as well as planning for major increases in production, reliable food supplies and agricultural export earnings.

Specifically, this amendment provides for:

1. A production economist to complement the existing four person APS team in analytical capacity and training functions.
2. Short-term consultants in the areas of policy analysis, marketing and export promotion and the design of a rainfed sector strategy.
3. Two long-term advisors from the United States to serve for 3 years at the University of Khartoum in order to upgrade the curriculum and resources of the Department of Rural Economy.
4. An increase in commodity support and operational costs, including \$125,000 for construction costs for the expansion of office facilities.

This amendment does not change the purpose or objectives of the original project. The increase in life-of-project funding is judged essential to the success of the APS Project. The Ministry of Agriculture will represent the GOS as the Grantee for the life of the five-year project (FY 81-86). As in the original Project Paper, the Planning and Agricultural Economics Administration (PAEA) within the Ministry of Agriculture have been and will continue to be the executing agency for the project.

III. Recommendations: Pursuant to the authority vested in you by Africa Bureau Delegation of Authority 140 (Revised), Section 4,A(2)b - authority to amend project authorizations within specific limitations - and in accordance with the concurrence in this amendment by AAA/AFR (State 181311, dated June 29, 1983), it is recommended that you sign the Project Authorization Amendment.

JK

PROJECT AUTHORIZATION AMENDMENT

COUNTRY: Sudan

PROJECT TITLE: Agricultural Planning and Statistics

PROJECT NUMBER: 650-0047

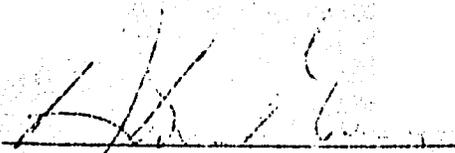
1. Pursuant to Section 103 of the Foreign Assistance Act of 1961, as amended, the Agricultural Planning and Statistics Project for the Sudan was authorized on June 5, 1981. That authorization is hereby amended as follows:

a. Section 1 is amended by deleting the amount "\$4,900,000" and substituting therefor the amount "\$7,300,000".

b. Section 2 is revised in full to read, as follows:

2. The Project consists of assisting the Government of Sudan in improving and strengthening its policy analysis and planning capability for the agricultural sector. The Project has three components: (1) to improve and strengthen the capability of the Ministry of Agriculture to identify, prioritize and analyze critical micro-economic, trade and marketing programs and issues; (2) to develop a reliable agricultural data base and reporting system to generate timely agricultural statistics to support policy analysis, decision making and agricultural planning; and (3) to strengthen and improve the capability of the Ministry of Agriculture to identify, appraise and plan agricultural projects and programs designed to overcome current and future constraints to agricultural development in the Sudan. In order to achieve the purpose of the project, A.I.D. will finance technical assistance, long-term and short-term advisors and consultants, microcomputers and associated software, training, studies, commodities and selected other costs.

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


Arthur W. Mudge
Director, USAID/Sudan

7/31/81
Date

21