



**DAI**   
Development Alternatives, Inc.

**The Botswana  
Rural Sector  
Grant:  
An Assessment  
After One Year**

Prepared under project 936-5300 "Organization and Administration of Integrated Rural Development" of the Office of Rural Development and Development Administration, Agency for International Development.

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## TABLE OF CONTENTS

	<u>Page</u>
<b>SECTION ONE</b>	
INTRODUCTION . . . . .	1
<b>SECTION TWO</b>	
<b>THE ADMINISTRATIVE CONTEXT OF THE RURAL SECTOR</b>	
GRANT . . . . .	5
THE PLANNING-FINANCING PROCESS . . . . .	6
DECENTRALIZING ADMINISTRATION . . . . .	7
Personnel Picture . . . . .	8
Village Participation . . . . .	9
Local Capacity . . . . .	10
Building Capacity . . . . .	11
ISSUES AND CONCLUSIONS . . . . .	12
Management Strategy . . . . .	12
Capacity-Building Strategy . . . . .	13
<b>SECTION THREE</b>	
ASSESSMENT OF FIRST YEAR ACTIVITIES . . . . .	15
ASSESSMENT . . . . .	15
Group I: Land-Use Planning and Management . . . . .	15
Group II: Agricultural Production and Incomes . . . . .	16
Group III: Non-Farm Income and Employment . . . . .	17
IMPLEMENTATION PROBLEMS . . . . .	18
FINANCIAL SITUATION . . . . .	19
ASSESSMENT OF OVERALL DESIGN . . . . .	19
<b>SECTION FOUR</b>	
SECOND YEAR PROPOSALS . . . . .	23
PROPOSED ACTIVITIES . . . . .	23
FINANCIAL REQUIREMENTS . . . . .	24
OVERALL ASSESSMENT OF PROPOSED ACTIVITIES . . . . .	24
Selection of Activities . . . . .	24
Support for Local Initiatives . . . . .	24
Support for Communal First Development Areas . . . . .	25
Redesigned Activities . . . . .	25
Delayed Starts . . . . .	25
Implementation . . . . .	26
Environmental Statement . . . . .	27

SECTION FIVE	
MONITORING AND MANAGEMENT OF THE RURAL	
SECTOR GRANT . . . . .	29
THE ROLE OF THE RURAL DEVELOPMENT UNIT. . . . .	29
THE ROLE OF THE ANNUAL REVIEW . . . . .	31
SECTION SIX	
FUTURE REQUIREMENTS . . . . .	33
AREAS FOR INCREASED FUNDING . . . . .	33
Rural Industries . . . . .	33
Land-Use Planning. . . . .	33
Communal First Development Areas . . . . .	34
Expanded Dialogue. . . . .	34
Agriculture. . . . .	34
CONCLUSIONS . . . . .	35
NOTES . . . . .	37
BIBLIOGRAPHY. . . . .	39

## LIST OF TABLES

<u>Table</u>	<u>Title</u>	<u>Page</u>
1	Rural Sector Grant Budget, 1980/81 . . . . .	21
2	Rural Sector Grant Budget, 1981/81 and 1982/83 . . . . .	28

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## LIST OF SELECTED ACRONYMS

ALDEP	Arable Lands Development Program
ARU	Applied Research Unit
CFDA	Communal First Development Area, the first segment of a district's communal (traditional) land tenure area selected for a coordinated development effort
DC	District commissioner
DDC	District development committee
GOB	Government of Botswana
IRD	Integrated rural development
LUPAG	Land Use Planning Advisory Group, which provides technical advice to district-level land board
MCI	Ministry of Commerce and Industry
MFDP	Ministry of Finance and Development Planning
MLGL	Ministry of Local Government and Lands
MOA	Ministry of Agriculture
PM	Project memorandum
RDC	Rural Development Council, the national-level coordinating body composed of permanent secretaries and other high-ranking officials; chaired by the minister of finance and development planning
RDU	Rural Development Unit, the secretariat attached to the RDC within the MFDP
RIO	Rural industries officer
RSG	Rural Sector Grant
SRIO	Senior rural industries officer
ULGS	Unified local government service

## A NOTE ON PROJECT ACRONYMS

Projects funded by the Rural Sector Grant are given abbreviated titles and numbers which refer to the ministry responsible for implementation. The projects currently receiving funding are:

Agriculture (Extension)

- AE 10 Ministry of Agriculture's small projects fund
- AE 11 Horticulture development project
- AE 15 Afforestation project
- AE 19 ALDEP pilot project fund

Local Government and Land Use Planning

- LG 31 Fund to assist implementation of land-use plans
- LG 36 Project to increase effectiveness of land boards

Other

- CI 08 Rural industries development project implemented by the MCI
- GA 02 Wildlife utilization project

## SECTION ONE

### INTRODUCTION

This report provides a summary of findings and recommendations on the performance of the Rural Sector Grant, a project jointly financed by USAID/Gaborone and the Government of Botswana (GOB), during its first year of implementation. The report is based on the work of a team from Development Alternatives, Inc. (DAI) that visited Botswana in February-March, 1981. In collaboration with USAID staff and officials from GOB ministries involved with implementation of the Rural Sector Grant, the DAI team assessed performance in year one (the GOB's fiscal year runs from April 1 to March 31) and reviewed proposed activities for year two. The team's findings and recommendations were incorporated into the implementation plan for year two that was subsequently adopted by USAID and the GOB.

The Rural Sector Grant (RSG), to which USAID has committed \$3.8 million for a three-year period, was designed to stimulate rural development activities that have the potential to generate new employment and raise household incomes. The sector grant concept was adopted to accommodate the GOB's strong commitment to decentralized planning. Central ministry staff serving in the districts, together with staff of elected local government bodies (the district councils), have increasing responsibility for identifying, planning, and implementing development projects that are tailored to local needs. Several funding mechanisms have been developed within central ministries to respond to initiatives from the districts. These include "small projects funds" in the Ministry of Agriculture and the Ministry of Commerce and Industry, and a funding source for land-use planning in the Ministry of Local Government and Lands. By earmarking funds for specific kinds of projects, these mechanisms are intended to provide an incentive for government field staff and rural villagers to undertake new activities rather than executing programs that are planned at the central ministry level.

The sector grant approach was also adopted as a means to provide integrated support for rural development activities that span several line ministries. The RSG was designed to finance a variety of projects, with some latitude provided to the GOB in allocating funds among the set of projects approved for implementation in a given year. This element of flexibility was included to allow for differing rates of progress on individual projects and variable demand for funds from the country's 10 districts.

During the design phase the RSG was oriented towards a single overall purpose: to assist the GOB in the development and implementation of strategies to provide the rural population with increased access to productive employment opportunities. This conceptual consistency was necessary to focus USAID's assistance on a target that is receiving priority attention from the GOB under its current (1979-84) National Development Plan, and to prevent the RSG from becoming a "grab-bag" source to fund projects that do not address the employment objective.

The common characteristic of all projects financed under the RSG is that they either have a direct impact on production and incomes at district level, or address broader constraints that must be overcome before production-increasing interventions can be undertaken. Within this framework, the grant has three sub-purposes:

- To improve land-use planning and land management in the communal (traditional tenure) areas;
- To increase small-scale agricultural production and incomes; and
- To increase non-farm employment opportunities in the rural areas.

Project development for the RSG began in March 1979 when a DAI team under contract to USAID prepared a background document (the Botswana Rural Sector Study) and a project identification document (PID). A second DAI team assisted the GOB and USAID with preparation of a project paper in early 1980. Following AID/Washington review of the latter document, the project agreement was signed in June 1980 and funds were made available for the initial set of nine projects that had been approved for funding in year one of the grant.

Because of the firm's involvement during the project design phase, DAI was requested to provide staff on a periodic basis to review the progress of the RSG and to assist the GOB in addressing specified implementation problems. This assistance is being provided under the auspices of a centrally funded AID project, "Organization and Administration of Integrated Rural Development" (ST/RAD project number 936-5300). The costs of this technical assistance are being shared between RSG and the ST/RAD contract.

The RSG review team fielded by DAI in February-March, 1981 prepared a lengthy report that examined each year one project and each proposed year activity in considerable detail. The team contained a mix of skills from the core staff expertise of the ST/RAD project (economist/team leader, development administration

specialist, and monitoring and evaluation specialist) and technical specialties requested by USAID and the GOB (a land-use planner and a forester).

This report summarizes the contents and highlights the recommendations of the review team's longer field report, "First Annual Evaluation of the Rural Sector Grant." This version begins with a discussion of the administrative context of the sector grant emphasizing issues identified in comparative research on integrated rural development (IRD) projects and programs. The subsequent sections contain an assessment of RSG performance during year one and analysis and recommendations concerning proposed year two activities. Section five suggests several improvements in management and monitoring of the grant by the GOB and USAID, and section six concludes with a discussion of future requirements for success of both a financial and programmatic nature.

## SECTION TWO

### THE ADMINISTRATIVE CONTEXT OF THE RURAL SECTOR GRANT

The Rural Sector Grant (RSG) is an innovative response to the need for an integrated rural development (IRD) strategy. It exists in an administrative environment characterized by a highly dispersed population and both a lack, and inefficient utilization, of human resources (Barclay and others, 1979). Although the Botswana administrative context has a history of highly centralized decision making, the GOB has introduced a policy of decentralization over the past 10 years.

This section describes the RSG approach to IRD implementation in light of the Botswana context. Attention is focused first on organization of issues, then on the planning cycle, the approach to decentralization, and finally on pertinent issues.

The RSG is a national-level IRD program. Overall responsibility is vested in a coordinating and approving body placed in the Ministry of Finance and Development Planning. That body is the Rural Development Unit (RDU). The RSG is essentially a financing mechanism which establishes a development fund which may be tapped by various ministries. Each ministry, therefore, retains responsibility for implementing individual subprojects supported by the RSG.[1]

The RDU was established in 1973 to act as a secretariat for the top-level coordination mechanism in the GOB--the Rural Development Council (RDC). Chaired by the minister of finance and development planning, the RDC is composed of permanent secretaries and other key officials. Thus the RDU is a non-executive, coordination and oversight body whose effectiveness is based on persuasive ability and access to key decision makers.

To assist the RDU with its coordination responsibility, a lower-level standing committee called a "reference group" has been established. The reference group is composed of planners working within the ministries with programs supported by the RSG. The chairman of the reference group is the head of the RDU. This arrangement provides the RDU with direct access to decision makers with responsibility for completing the configuration of program activities.

An additional RSG-specific entity is the annual RSG review team. This group consists of a multi-disciplinary team of consultants responsible for evaluating collaboratively, with USAID and GOB, subproject performance during the previous year and for

reviewing and approving (or rejecting) subprojects proposed for the following year. The review team functions during the February-March period just before the beginning of the GOB fiscal year in April.

Since the implementation of RSG-funded activities is the responsibility of the functional line ministries, organizational arrangements at the field level are not RSG-specific. Rather, they are built upon ministry and district operational units as well as the GOB planning-financing process.

### THE PLANNING-FINANCING PROCESS

Planning in Botswana occurs on both a functional and geographic basis. Line agencies develop their intended activities and incorporate them into the district development plans, which are aggregated on an annual basis and combined with national-level activities to constitute a national plan of action.

The planning cycle is geared to the April 1 to March 31 fiscal year. Consultations and thinking begin in April. By October the planning is in full swing with districts preparing to present papers to the National District Development Conference held during the first week of December. Although the exact procedures for plan preparation vary by sector (Wheeler, 1979), all drafts are considered by district development committees and by subcommittees of the district council. Final plans are due by March 31. The RSG provides funding for selected activities contained in these plans.

The basic document for securing resources for a specific subproject activity (such as a communal woodlot) is the project memorandum (PM). Each PM for RSG funding is prepared by the appropriate field staff and submitted to central ministry staff, who review it and forward it to the Division of Economic Affairs in the Ministry of Finance and Development Planning, which sends it on to the RDU. After the RDU has examined and approved the PM, it is then submitted to the RSG review team for a joint review.

Use of the PM follows standard GOB procedures. Activities which do not qualify for RSG funding may be submitted to other donors or funded from local revenue. In any case, the central role of the PM in RSG administration reflects a strategy of adhering to existing GOB procedure rather than imposing new ones.

Financing flows for RSG activities also follow regular GOB channels. In the case of Ministry of Local Government and Lands (MLGL) subprojects, funds are credited to a district council account in a bank in Gaborone and the district council treasurer

writes checks on that specific earmarked warrant in the account. With other line ministries (such as the Ministry of Agriculture), the Ministry of Finance warrant is issued to the ministry and then subwarranted to the responsible officer, such as a regional agricultural officer. This officer then issues "government purchase orders" drawing down the subwarrant. In both cases tranches are released quarterly.

The RDU receives monthly printouts which identify RSG expenditures. The monitoring of those expenditures follows normal GOB procedures, with USAID receiving quarterly reports.

As the discussion above implies, the RSG administrative strategy is to augment ongoing GOB efforts, within a multi-sectoral focus, by fitting into established procedures. This nondisruptive strategy is useful in an environment characterized by severe manpower shortages. However, it may also unwittingly support some practices which do not emphasize the new priority for decentralization.

#### DECENTRALIZING ADMINISTRATION

The basic subnational administrative unit in Botswana is the district. Thus any discussion of decentralization will tend first to focus on district-level administration, and then on village-level decision-making structures.

There are two major institutions which promote district-level development efforts--the district development committee (DDC) and the district council. The DDC is composed of district officers (the district heads of all line agencies present in the district) and representatives of the district council, land board, and tribal administration. It is headed by the district commissioner (DC) who is responsible to the MLGL.[2] The DDC is a technical coordinating body with standing subcommittees responsible for coordinating specific sets of activities, developing sections of district plans, and overseeing implementation.

The district council is a local elected body with statutory responsibility for providing services such as primary education, primary health care, domestic water, nongazetted roads, and community development efforts. Although a portion of recurrent costs for council programs is met by local revenue, all councils receive deficit grants from the central government. The council is also responsible to MLGL. Although DDC subcommittees prepare district plans, those plans must be approved by the council. Moreover, the council planning officer is intimately involved in the local planning process.

A third important institution is the land board. The board is partly appointed by MLGL and partly chosen by the council and tribal authorities. The board has allocation authority over land held in trust for the tribe and community. It receives technical advice from the technical officers of central ministries through the Land-Use Planning Advisory Group (LUPAG).

This brief overview of district-level administration provides a background for discussing both district/national and district/village interactions. This, in turn, can help to identify both the actual and potential contributions of the RSG to decentralized administration in Botswana.

### Personnel Picture

Most district officers are expatriates; in fact, only one is a Motswana.[3] This is one indicator of the limited inventory of trained indigenous personnel. Another indicator is the percentage of established field positions which remain unfilled. For example, approximately 25 percent of the agricultural demonstrator posts in the Ministry of Agriculture are vacant.[4]

This situation is further compounded by inefficient use of those personnel who are in place. Limited chances for promotion and ineffective use of incentives result in rapid turnover and transfers which make district officers with over two years tenure in a post often the most senior in the area. This manpower situation, identified in early 1981, is basically the same as conditions reported in mid-1979 by the rural sector study team (Barclay and others, 1979).

There are, however, some attempts to improve these conditions. For example, the introduction of the Unified Local Government Service (ULGS) has begun to upgrade district administration. This removed tribal affiliation from the criteria for selection to local posts, permitted staff transfers, and provided a nationally based common pension system for district staff. It should be noted that this is a centrally initiated program to upgrade and establish a decentralized cadre of administrative personnel. Thus central leadership may sometimes be a prerequisite for building decentralized capacity. In fact, experience in other countries such as Tanzania, Egypt, Indonesia, and Nepal suggests this is common.

Central initiatives for decentralization take two forms: "deconcentration" of personnel, equipment, and funds, and "devolution" of decision-making authority. Activities such as ULGS and deficit funding of district council programs provide rough evidence of human and material resource deconcentration.[5] The bottom-up planning process, the importance of PMs, and the use

of the RSG to respond to district initiatives indicate a devolution of priority-setting and project design authority to the district level. A further question, however, is the degree to which this penetrates to the village level.

### Village Participation

Villager involvement has been identified as a major determinant of success in rural development programs. Successful involvement includes such factors as effective two-way communication between bureaucrats and villagers, organizational arrangements which give villagers a voice in project decisions, and resource contributions (Morss and others, 1976).

In rural Botswana those factors are represented by (1) a process of consultation and (2) by a discussion arena called kgotla. Consultation refers to a constant interactive process among civil servants and between civil servants and villagers. It is a consensus-building practice which minimizes overt conflict and tends to err on the side of inaction rather than on the side of rash initiatives. One actual example was the cancellation of a land board meeting because it was decided that not enough consultation had occurred to allow a decision on land allocation--an apparently common occurrence. Indeed, the constant use of reference groups and committees suggests that this behavior pattern permeates the bureaucracy at all levels. To put it succinctly, the planning process in Botswana might be depicted as institutionalized consultation.

The second item noted above, the kgotla, is a public arena for presenting views, discussing issues, promoting consensus, and making decisions. The various levels of kgotla (ranging from family to village, and paramount chief) serve as open councils. The term refers to the people, the meeting place, and the institution. Review by the institution is, in fact, incorporated into the district planning process. It should also be noted that the kgotla, like the RDU, is not an executive entity. Rather, it is a forum for gathering data, airing issues, and perhaps inducing a consensus or communicating decisions.

The third type of participation which occurs in many RSG subprojects is resource contribution. This may take the form of self-help labor or a cash contribution. In fact, for most RSG-funded categories, a 10 percent share of the cost must be provided by villagers.

In broad terms, then, the management of the RSG does appear to be conducted in a way which supports decentralization and beneficiary involvement. If, however, local-level implementation capacity is not improved as a result of these efforts, then the contribution of the RSG to decentralized rural development in Botswana will be short-lived.

## Local Capacity

When discussing institutional capacity, observers often focus only on the stock of resources available. For example, percentage of posts filled, numbers of staff with degrees, budget levels, and numbers of vehicles or telephones suggest implementation capacity. However, such resources might be available but unused for lack of maintenance, disbursement procedures, or incentives to work. Thus, a more accurate focus is on behavior. In the case of district development in Botswana, that focus might be on the following items:

- Participation of villagers in district planning;
- Generation of technically sound and creative project designs;
- Procurement of national resources to fund those projects;
- Efficient implementation;
- Adequate monitoring of impact; and
- Use of monitoring data to design better projects in the future.

Observing year one activity under the RSG leads to the following conclusions on each point. First, the ability to promote participation is very high. In fact, the practices described in the following sections highlight that old question of "How do you get everyone in on the act and still get some action?" Nevertheless, district capacity to involve people in planning appears to be strong.

The second point produces mixed reviews. Although most PMs submitted were funded, some were less than ideal from a technical perspective. Moreover, many of them were simple "shelf items" which had been around for some time but were previously unfunded. Thus, rather than embodying creative new responses, they represented just an extension of the same old thinking. Some of the thinking was improved, however. For example, one person interviewed suggested that the AE 10 small projects fund had made agricultural field staff see things in terms of objectives and discrete activities rather than as aimless work that just "trickled on".

Observations on the third point were also mixed. Although most initiatives were funded, the long-term implications are not clear. Success in procuring RSG support appears to be partly related to the entrepreneurial skills of the district officers, who are central government officials. Since most planning

officers are expatriate, an expatriate district officer has an advantage over a local. In fact, the one local district officer views his ministry counterparts (planning officers in Gaborone) more as adversaries than as team members. Thus it is difficult to conclude that local capacity to tap national resources has been raised significantly.

The last three of the six points were not readily observable. However, other observers have some doubts about district abilities to monitor performance and incorporate new knowledge into improved designs.

In sum then, during the first year of implementation the RSG appears to have augmented a process with a strong capacity to support participation. Moreover, it may have had a limited incremental effect on improving subproject designs. However, it has not noticeably raised district capabilities to implement, monitor, or redesign activities. This is not surprising. In fact, it would be unreasonable to expect all this to have been achieved in eight months (June 1980-February 1981). The question is, however, "How can capacity building be enhanced during the next two years?"

### Building Capacity

An interesting paradox was noted earlier in this chapter--central initiatives may be necessary to build decentralized capacity. The RSG appears to be an effective response mechanism but the approaching needs may require more of a leadership role. That is, technical assistance should be used to introduce new perspectives among those people with local knowledge and traditional skills. For example, skill with simple monitoring methods might be built into local groups. Another example comes to mind. The RSG-funded study of organizational dynamics in the Communal First Development Areas (discussed in section three) might present some new ways of looking at program interventions. This applied research, assisted by the Land Tenure Center of the University of Wisconsin, could suggest new directions for the organization and implementation of a major rural development initiative.

There are two basic approaches to capacity building.[6] The first is cognitive. People assume that by changing attitudes and knowledge, capacity is raised. This is the rationale for training. The second approach is structural. This view examines the constraints and incentives for behavior. For example, a farmer is not likely to invest in a planter if the increased yield will all go to the chief. Likewise, a bureaucrat such as an agricultural demonstrator is not apt to do a good job of data collection if the data are not useful to do his job, or if he is not rewarded for collecting it.

From this perspective, training is not enough. If the work situation does not support new skills, they will not be used. Thus a structural approach to capacity building emphasizes environmental factors, which guide human behavior and leadership, rather than just response. Moreover, it suggests that district-level capacity building will involve helping districts to identify, articulate, and develop action plans to remove disincentives to rural development. The subject of this assistance will be the three institutions noted at the beginning of this section: district councils, district development committees, and land boards, especially in those areas chosen as pilot Communal First Development Areas.

### ISSUES AND CONCLUSIONS

This discussion leads to two sets of issues. They are the overall management strategy for the RSG, and the capacity-building strategy to be followed during the next two years. Each is noted below.

#### Management Strategy

The overall management strategy of using standard GOB processes to provide assistance is good. The RDU reference group and review team structure is appropriate, notwithstanding some minor communication problems. The RDU should continue to play a coordinative approval role and should not be given direct implementation authority.

During the first year of implementation the RSG demonstrated its response capability. Now the challenge is to stimulate more creative thinking at the district level. RDU staff participation in district-level development conferences might be used to communicate the fact that technical assistance could be made available for skill-building and for assistance in identifying new ways to meet district needs.

At the same time, the technical assistance budget for year two and three should be doubled. The original project design called for 50 percent of the technical assistance budget to be used during year one. Yet, this was logically the most passive of the three years. If the RSG is, indeed, to move into more of a leadership role during its remaining life-cycle, then additional funds will be required.

One of the first uses of technical assistance might be to help GOB to standardize its reporting of RSG expenditures. This would facilitate the USAID monitoring process as well as assisting GOB.

In sum, the overall management strategy should be maintained but more of a leadership role should be assumed during the next two years. This will require an increase in the technical assistance budget.

### Capacity-Building Strategy

Capacity building is often considered synonymous with training. However, this is an unfortunate connection. While it is true that learning is an integral component of all capacity building, much of this activity has little in common with traditional classroom teaching.

Effective learning deals with real problems and it involves the very people who must overcome those problems. Thus a DDC might use technical assistance to learn planning methods during plan preparation in the district and "echo seminars" might be used to spread that knowledge to a wider group.

The product of such an exercise might be actual PMs. As demand for RSG resources grows relative to the supply, the desire for such exercises will also grow. As data from the MLGL study become available, it should be introduced directly into district decision making.

The emphasis of RSG technical assistance, then, should be on directly building capacity into district and GOB personnel through action-oriented activity.

SECTION THREE  
ASSESSMENT OF FIRST YEAR ACTIVITIES

ASSESSMENT

The Rural Sector Grant provides support to three categories of projects, corresponding to the three subpurposes of the grant:

- To improve land-use planning and land management in communal areas;
- To increase small-scale agricultural production and incomes; and
- To increase non-farm employment opportunities in rural areas.

In this section of the report, implementation performance in the first year of the grant is discussed for each grouping of projects.

Group I: Land-Use Planning and Management

This category of projects has three stated objectives:

- To improve the effectiveness of land boards,
- To prepare and implement land-use plans for communal areas; and
- To formulate a water development strategy for the arable lands of eastern Botswana.

During year one of the RSG, considerable progress occurred in achieving the first and third of these objectives. Under the land institutions development project (LG 36), four subordinate land board buildings were constructed and land board staff (including newly appointed land tenure officers) were supplied with office, camping, and technical equipment necessary for them to perform their land management tasks.[7] Also, a team from Cornell University completed a detailed policy-oriented study of how water points are used in eastern Botswana. The information generated by this survey is directly applicable to policy formulation related to water development in eastern Botswana.

Several activities that were to have taken place in year one have experienced delays. Under LG 31, two communal area development activities, a communal service center at Lepashe in Central District and an integrated land-use plan for Western Ngamiland, barely got started in 1980/81. This was due to the late obligation of funds under the RSG and bottlenecks stemming from manpower shortages in the districts. Also, studies to be carried out by the Applied Research Unit (ARU) of MLGL (LG 31) and the training of land board staff (LG 36) were delayed because of difficulties in recruiting a director for the ARU and a training consultant for the land boards. Although both positions are now filled, these activities can not be expected to proceed as planned. In fact, a major study of local institutions in connection with the Communal First Development Area (CFDA) program is about to get underway under ARU auspices.

### Group II: Agricultural Production And Incomes

The objectives of this group of projects are to:

- Carry out preliminary activities that are necessary before the GOB's Arable Lands Development Program (ALDEP) can get fully underway;
- Test ways of diversifying agricultural production;
- Facilitate production-related initiatives by farmer groups; and
- Upgrade the technical and managerial skills of the Ministry of Agriculture (MOA) field staff.

Year one activities addressed the first two objectives. No funds were required for addressing the third objective, which will be pursued under MOA's small projects fund (AE 10) in the second and third years of the RSG. Thus far there are no plans to finance MOA field staff training under the RSG, although ALDEP pilots and AE 10 will provide valuable work experience that will increase staff effectiveness in the medium term.

The major successes in year one were related to ALDEP. The most important ALDEP pilot activity, a credit scheme to test the acceptability and viability of the recommended improved technical package, was fully implemented and the results are being evaluated by the Farm Management Unit in MOA. Other pilot activities, which have included donkey draft, water tanks, fencing, and extension improvement schemes, have not progressed as quickly but lessons are being learned from the problems encountered. There is little doubt that the ALDEP pilot activities financed under the RSG will result in significant improvements in the full-scale ALDEP scheduled to begin next year.

The agricultural activities that fall under the rubric of diversification, horticulture (AE 11), and forestry (AE 15), have not fared as well. In the case of horticulture, the main delay was caused by AID's environmental requirements, but a more basic problem was the need to redesign the project in response to unforeseen technical and institutional constraints. Similarly, the forestry program has been hampered by manpower shortages. Specifically, the MOA's forestry section does not have the capacity to organize and implement a national village woodlot program in an expeditious manner. The evaluation team included a forestry expert who studied the forestry program's many problems in depth. Essentially, both horticulture and forestry production in Botswana are sufficiently complex and novel to require both institution-building and carefully monitored experimentation prior to any major expansion in activity. This is reflected in the evaluation team's recommendation for second year activities.

### Group III: Non-Farm Income and Employment

The specific objectives of this group of projects are to:

- Provide improved GOB support for rural industrial development;
- Provide a solid data base regarding production potentials and markets for rural industries; and
- Undertake activities that will lead to at least one new wildlife utilization project.

In year one there were two projects in this grouping: the rural industrial officer (RIO) program (CI 08) and wildlife development (GA 02). Substantial progress occurred under CI 08. The RSG financed the senior rural industry officer (SRIO) in the Ministry of Commerce and Industry (MCI) and provided logistic support for a newly recruited cadre of RIOs in the districts. During 1980/81, 7 of the 11 RIO positions were filled as planned. Surveys of existing producers were carried out in six of the seven districts that had RIOs, and in all seven districts activities were undertaken that had immediate benefits for industrial businesses in rural areas. There is currently a strong momentum in this program and morale among RIOs is high. The only serious problem with the RIO program has been the difficulty in recruiting counterparts. This has serious implications for the sustainability of the RIO program and needs the urgent attention of the MCI.

In contrast to the RIO program, wildlife development was not able to get started in 1980/81. This was due to the delay in identifying a natural resource economist to undertake policy and project planning in this potentially important sector. Activities

undertaken by some of the RIOs indicate that wildlife and wild plant gathering are two of the highest potential areas for non-farm employment in rural Botswana. If this proves correct, activities to expand processing of wildlife products will have to be accompanied by carefully designed wildlife utilization schemes.

### IMPLEMENTATION PROBLEMS

The main cause of delay in the first year, and perhaps the least worrisome because it is essentially a one-time problem, was the late obligation of funds by AID (July 1980). The GOB and USAID had anticipated that the project paper would be approved and funds made available by April 1, 1980, but this did not occur until mid-June. Once funds were obligated, the MFDP was able to warrant funds to line ministries in a timely manner. However, there were some delays in the subwarranting of funds by the ministries, especially MOA, to their respective departments and to the districts.

Perhaps the most serious long-term problem is the local manpower constraint. This is most visible for the rural industries project, which has only two counterparts identified and none yet actually posted. However, almost all of the projects were affected by manpower constraints, especially at the district level. ALDEP, horticulture, and forestry projects are all constrained by the shortage of well-qualified agricultural field staff. District initiatives under LG 31 are also hampered by the lack of personnel to provide technical and administrative assistance at the district and local level. Related to the manpower constraint are institutional bottlenecks. This is most evident in attempts to implement integrated land-use plans, which usually require the coordinated efforts of several ministries. During year one of the RSG, the forestry program was also hampered by lack of organization and institutional capacity to plan, design, and implement.

For some projects, recruitment of technical advisers caused serious delays. The wildlife development project did not get started in 1980/81 because a qualified natural resource economist could not be identified quickly. In MLGL, the training of land board staff was postponed until year two because of the lack of a training consultant. The newly created ARU was affected by the delayed arrival of its director. The horticulture project would be further delayed had not a horticulturalist already in Botswana become available to manage the Mogobane project.

Where construction and commodity procurement was significant, performance was generally satisfactory. Construction proceeded on schedule under LG 36, and substantial equipment was provided in a

timely manner under LG 36 and CI 08. Several ALDEP pilot projects, however, experienced problems with both construction and procurement, primarily because of their unique requirements. The water catchment tanks to be constructed were an innovation, so builders had to be trained. Farm implements needed for the credit scheme could only be obtained from one supplier.

The implementation problems faced during the first year of the RSG were not unexpected and in fact were less severe than most observers would have predicted. The effectiveness of the RDU and the implementing ministries in dealing with problems that did arise is discussed below in the section on project management and monitoring.

### FINANCIAL SITUATION

By March 31, 1981 the RSG will have spent about P450,000, or 51 percent of the funds that became available in July 1980. The projects that experienced the largest shortfalls were horticulture development (AE 11) and implementation of land-use plans (LG 31). Although it does not show up in table 1, the wildlife utilization project (GA 02) also had little expenditure in 1980/81. Last quarter expenditures for that project represent a transfer of funds for the salary of the natural resource economist who will not arrive in Botswana until just before the end of the fiscal year. The projects that had the best expenditure performance are development of land institutions (LG 36), ALDEP pilots (AE 19), and rural industries (CI 08).

Overall, considering the RSG's decentralized nature, the late availability of funds, and normal start-up problems for a new project, first year expenditures reflect a satisfactory performance. Also, as can be seen from the reviews of the individual projects, the main reasons for the delays have largely been overcome and expenditures are expected to increase dramatically in year two.

### ASSESSMENT OF OVERALL DESIGN

The evaluation team feels that the stated objectives of the RSG are realistic and that there is a sound relationship between those objectives and the projects financed during the first year of the grant. By designing the project around three specific objectives, it has been possible to achieve both focus and flexibility. The possibility of adding new projects, consistent with stated project purposes but not identified at the time of

original design, is one of the strongest features of the RSG. An assessment of how well this feature has been utilized thus far is included in the section of RSG management and monitoring.

The relationships between RSG purposes and first year projects are particularly strong for groups I and III. LG 31 and LG 36 are the two main efforts within the GOB to improve land use planning and management in Botswana. Similarly, GA 02 is the first step in setting up a long-range program to make effective use of the country's wildlife resources. In the rural industry sector, CI 08 provides the main thrust around which other rural industry programs (loans or subsidies for instance) should be organized.

In agriculture, there is a weaker but still clear relationship between first year activities and stated objectives. The ALDEP pilot projects, the most important first year activities in group II, are being successfully implemented. No further funds are required for year two since other donor funds are available for the major ALDEP program. In year two, ALDEP is being replaced by AE 10, which is important for encouraging participatory development activities but is by definition and design very small in scale. RSG projects related to diversification, horticulture, and forestry are marginal in terms of the overall problem. There is general agreement that in the long-run diversification efforts will have to concentrate on cash crops such as oilseeds and cotton. It appears that increased production and incomes may be too broad an objective for the types of agricultural activities likely to be financed by the RSG. A narrower objective, reflecting the fact that the main effort to increase agricultural production will take place through large projects outside the context of the RSG, may help to improve the programming of RSG funds in this sector.

Table 1. Rural Sector Grant Budget, 1980/81

Project	Amt. budgeted in original project memorandum (pula*)	Expected expend. as of 4/1/81 (pula*)	Expected balance as of 4/1/81 (pula*)
<u>Land Use Planning and Management</u>			
LG 31 - Implementation of land use plans	36,749	7,228	79,521
LG 36 - Land institu- tions	172,700	103,860	68,840
- Water points survey	41,540	41,540	-0-
<u>Agricultural Production and Incomes</u>			
AE 11 - Horticulture	99,555	-0-	99,555
AE 15 - Afforestation	58,228	26,604	31,624
AE 19 - ALDEP pilots	180,500	104,400	76,100
<u>Non-Farm Employment</u>			
CI 09 - Rural industries	138,150	100,350	67,800
GA 02 - Wildlife utilization	80,000	67,650	12,350
Total	887,422	451,632	435,790

Notes: \* 1 Pula = U.S.\$1.31

## SECTION FOUR

## SECOND YEAR PROPOSALS

## PROPOSED ACTIVITIES

Aside from two new projects, the AE 10 small projects fund for crop farmers and consultancies for the Communal First Development Area Program, second year RSG activities are essentially a continuation of what was initiated in the first year.

In the land-use planning and management grouping, construction activities under LG 36 will continue and the training of land board staff that was to have started in year one will get underway. For LG 31, the main activities will be:

- A study of the local institutions in relation to communal area development programs,
- Inventories of land-use patterns and demarcation of sub-land board boundaries; and
- Implementation of the initial phases of land-use plans in proposed Communal First Development Areas (CFDAs).

Under the agricultural production and incomes grouping, the horticulture and forestry programs are continuing, the former having been redesigned to better reflect production and marketing conditions in southeastern Botswana, and ALDEP will finish carrying out pilot activities started in the first year. Additional funding for ALDEP pilot activities will not be needed since they will be financed as part of the full-scale program being funded by other donors. A new activity under this group will be AE 10 which finances group activities by small farmers up to a level of P5,000 per activity. The project, whose objective is to encourage and assist farmers to organize for the purpose of carrying out production-increasing activities, has been ongoing for several years with Dutch financing. It is being incorporated into the RSG because it represents precisely the type of district-level activity the grant was designed to support.

Under the non-farmer employment and income group, the rural industries project will continue the activities started in year one, but on a considerably larger scale, and the wildlife utilization project will initiate and implement the planning and analysis activities that were to have started in year one.

## FINANCIAL REQUIREMENTS

During year two, planned expenditures for the projects summarized above total P1,266,407. Of this amount P456,405 will be funded from carry-over from year one, leaving additional requirements in year two of P810,002. In addition to the funding of development projects, the RSG will finance the following activities: the annual evaluation--P36,765 (\$50,000); the Communal Area Coordinator in the RDU--P33,088 (\$45,000); an external evaluation--P38,541 (\$52,416); and a small additional amount to supplement P14,278 in carry-over funds from year one for monitoring of subprojects--P722. Thus, the full requirements for year two are P919,118 or \$1,250,000. (See table 2 at the end of this section for details of the year two budget).

## OVERALL ASSESSMENT OF PROPOSED ACTIVITIES

### Selection of Activities

The second year of the RSG will be a period of new initiatives and, for some projects, movement from solving pre-implementation problems to executing planned activities. The salient features of the year two program are summarized below.

### Support for Local Initiatives

During year one, the RSG-supported district and local initiatives through the small projects fund of the Rural Industry Project and through some of the pilot schemes under ALDEP. During year two, ALDEP will be transferred to other donor funding, but two new district-level activities will be added. The most important of these is AE 10, which can be used for any production-related activity initiated by groups of small farmers. This activity could utilize P50,000 of RSG funds in 1981/82. A second new district-level activity is a small woodlots fund under the afforestation project. This fund provides financial support for village groups that wish to establish woodlots to meet local needs for firewood, roofing poles, or fence posts as well as for soil conservation purposes. In horticulture, a pilot program for financing small projects which is being funded by ALDEP in 1981/82 could lead to a small projects fund for these activities under AE 11 (horticulture development) in year three of the RSG. There is clearly increasing support within the GOB for production-increasing activities at the district and local levels, and these small projects funds are ideally suited to assist such initiatives.

### Support for Communal First Development Areas (CFDAs)

The CFDA program has recently been started by the GOB to carry out integrated rural development programs in specific locations in the communal areas. The RSG is providing important support for the initial stages of the CFDA program. First, the grant is financing the preparation of an integrated land-use plan for Western Ngamiland and, using this activity as a model, is providing P45,000 for CFDA land-use planning at two other locations. Second, and also under LG 31, the RSG is funding a major study of the role of local institutions in the design and implementation of development activities in CFDAs. Finally, a new project called "consultancies for CFDAs" is being added in year two. The purpose of these consultancies will be to provide expertise needed for the planning and design of development activities being considered for CFDAs.

### Redesigned Activities

Two activities that were to have started in year one have been modified significantly to improve performance and increase their viability over the long term. These are horticultural and afforestation. The horticulture estate that was to have been established in year one was delayed primarily because of an environmental review required by USAID. In the meantime, the activity was scaled down for technical reasons, and because additional information became available on the optimal size of group horticulture schemes and the constraints to vegetable production and marketing in southeastern Botswana. The redesigned schemes cost less, have a larger number of beneficiaries, and fewer implementation problems than the schemes originally proposed.

In forestry, major organizational changes were made relating to the village woodlot program. This program has been severely hampered by manpower shortages and lack of specificity on division of responsibilities. Although manpower availability has not improved, changes in design and approval procedures will expedite the approval and funding of woodlots while at the same time improving the quality of proposals. Assignment of implementation responsibilities has also been clarified. The result should be a larger and more efficiently implemented woodlot program than would have been possible previously.

### Delayed Starts

Although the list of projects in year two is basically the same as for year one, the activities actually being implemented will be considerably different. In year one the major accomplishments occurred in ALDEP pilot activities, the rural industries program, construction activity under LG 36, and a

forestry nursery. In year two, the full range of RSG activities will be underway. Specifically, activities under implementation of land-use plans, horticultural development, and wildlife development will show concrete results in year two, whereas very little was accomplished in year one. In addition, components of two other projects, woodlots under afforestation and staff training under land institutions development, will begin to be implemented in year two. Thus, it can be expected that at the end of 1981/82 RSG accomplishments will be more visible and wider-ranging than was the case at the end of 1980/81.

### Implementation

Expenditures for 1981/82 are projected at about P1.3 million compared to P450,000 in 1980/81. Although an increase of this magnitude raises questions of implementation capacity, major shortfalls do not appear likely at this time.

The MLGL projects construction under LG 36 should continue on schedule. There could be a small shortfall in the training component, but this cannot be determined until the land board training consultant makes recommendations. ARU activities under LG 31 should proceed on schedule now that the director position is filled and the major research activities are already underway. Similarly, arrangements have been made for the proposed land inventories and these should proceed on schedule.

Under the Ministry of Agriculture, it appears that the major problems with the horticulture and afforestation projects have been resolved, and implementation of all proposed activities should get underway as soon as funds become available. On the other hand, AE 10 is an ongoing program which has consistently experienced shortfalls in expenditures. However, based on experience with other local action programs of this type, a significant increase in activity can be expected when existing projects start to have a demonstration effect. Also, it is expected that ALDEP and the CFDAs will have a positive effect on demand for AE 10 funds. The allocation of RSG funds to this project has been conservative, but arrangements have been made to provide additional funds if they are needed.

In the Ministry of Commerce and Industry, both the rural industries and wildlife utilization projects will be fully operational when year two funds become available. Under GA 02, uses for the entire amount of consultancy funds have not been identified. A final decision on the use of these funds will be made after the arrival of the natural resource economist in March 1981. Under CI 08, the MCI request for the small projects fund was cut from P150,000. On the basis of experience with this fund in year one, demand can be expected to increase significantly in year two.

Overall, it appears that there are no major constraints to a rapid increase in activity in year two. As discussed in the following section, certain measures should be taken by the RDU to facilitate the reprogramming of funds during the course of the year. This would result in improved implementation since funds could be reallocated expeditiously from activities that are proceeding more slowly than expected to those that are ahead of schedule.

### Environmental Statement

All activities proposed for year two are continuations of first year activities except for the following:

- A feasibility study on the gathering and marketing of wild plants for export under CI 08. Although the uncontrolled gathering of wild plants could have an adverse environmental impact, the first phase of this study will be to assess available supply and determine the quantities that can be harvested without causing long-term reductions in plant growth and availability. Environmental concerns are incorporated into this phase of the study.
- A pilot training program for blacksmiths under CI 08. This project involves training blacksmiths to repair implements that will be introduced under ALDEP. The training will take place at an existing institution and will therefore have no environmental impact.
- The construction of weirs in connection with two vegetable production schemes under AE 11. These are small structures that do not entirely stop the flow of water, but cause water to be kept in a catchment area. The water being retained by these weirs will be used to irrigate vegetable gardens. The basic flow of water will not change significantly and consequently there will not be any significant environmental impact.

Table 2. Rural Sector Grant Budget, 1981/82 and 1982/83

Project	Expected balance as of 4/1/81 (pula*)	Planned expend. 1981/82 (pula*)	Additional funds required (pula*)	Planned expend. 1982/83 (pula*)
<u>Land Use Planning and Management</u>				
LG 31 - Implementation of land use plans	79,521	263,941	184,420	61,709
LG 36 - Land institutions	68,840	205,840	137,000	31,900
<u>Agricultural production and incomes</u>				
AE 10 - Small projects	20,000	70,000	50,000	90,000
AE 11 - Horticulture	99,555	99,555	-0-	60,000
AE 15 - Afforestation	32,239	111,500	79,261	130,000
AE 19 - ALDEP	76,100	76,100	-0-	-0-
<u>Non-farm employment</u>				
CI 08 - Rural industries	67,800	302,000	234,321	240,000
GA 02 - Wildlife utili- zation & management	12,350	92,350	80,000	80,000
<u>Rural Production &amp; Incomes - General</u>				
Consultancies for CFDA's	-0-	45,000	45,000	45,000
Subtotal	456,405	1,266,407	810,002	738,609
Monitoring studies	14,278	15,000	722	-0-
Communal area coordinator	-0-	33,088	33,088	33,088
External evaluation	-0-	38,541	38,541	-0-
Annual review	-	36,765	36,765	36,765
Total	470,683	1,389,801	919,118	808,462

Notes: \* 1 Pula = US \$1.31

## SECTION FIVE

## MONITORING AND MANAGEMENT OF THE RURAL SECTOR GRANT

The responsibility for monitoring and managing the RSG is shared by the GOB and USAID. A variety of institutions are involved in the process, including line ministries, the RSG reference group, USAID/Gaborone, and the annual review team. Specifically, each ministry oversees day-to-day implementation of its respective projects using ministerial staff both in the field and at the center. Monitoring of implementation is also carried out on a continuing basis by the Rural Development Unit, an advisory body within the MFDP responsible for overall coordination of the government's rural development efforts. In addition, the head of the RDU chairs an inter-ministerial reference group comprised of RDU staff, ministerial senior planning officer, and counterpart planning officers in the MFDP, which is responsible for determining how funds, available under the RSG are to be utilized. Beyond these established Botswana institutions, the USAID mission in Botswana periodically reviews reports of project financial progress from the MFDP and consults informally on RSG implementation and planning. Toward the end of each GOB fiscal year, the USAID mission, with the assistance of the review team, examines the implementation of RSG projects undertaken, and assesses ministerial project memoranda proposed for upcoming RSG funding. Altogether, the RSG provides various mechanisms for institutionalized project monitoring and management in the course of each project year.

In year one of the RSG, nine projects were funded for implementation by the Ministry of Local Government and Lands, the Ministry of Commerce and Industry, or the Ministry of Agriculture. Inevitably, these ministries focused considerable attention upon getting RSG programs underway and on establishing a variety of fiscal and implementation monitoring procedures for the programs. In some cases, such as the rural industries program and ALDEP pilot projects, new monitoring systems needed to be established; in others, such as projects falling under the MLGL's LG 31 umbrella, a basic reporting system involving district-level institutions was already in place. In 1981/82, every effort needs to be made to sustain and improve these monitoring systems.

## THE ROLE OF THE RURAL DEVELOPMENT UNIT

Throughout the year the rural development unit has made energetic attempts to monitor how RSG projects develop, through continuing contact with ministry personnel both at the center and

in the districts. Much of this contact has been on an ad hoc basis. While this has been, and should continue to be, extremely valuable, the RDU needs to give time and thought this coming year to ways of systematizing the monitoring of the RSG. First, there is a need for brief, periodic reporting by the ministries on the status of RSG project implementation. Second, the RDU needs a system for its own use in monitoring ministerial troubleshooting.

The RSG reference group can play a very important role in achieving both of these objectives. First, quarterly meetings can provide a regular forum for reporting on each ministry's progress regarding RSG activities. This has the advantage of disseminating information not only to the RDU but to senior ministry personnel in other RSG line ministries as well. The action items which emerge from each meeting, which would be routinely recorded in meeting minutes, can serve as the RDU's guide in following up on ministerial responsibilities to take designated actions. Through its periodic meetings and minutes, then, the reference group can readily and appropriately facilitate and improve the systematic monitoring and management of the RSG.

The RDU, the ministries, and the RSG reference group should frame these ongoing efforts next year within the context of concrete RSG planning and programming needs. For example, the RDU and the reference group need to give careful thought to how to shift project allocations during the course of the year. If a reprogramming exercise is undertaken periodically, the development of sound project memoranda to feed into that process during the year is vital. Likewise, increased dialogue between district officials and staff both the line ministries and the RDU should focus this year upon needs and priorities which affect year three programming. Efforts should be made to begin early rather than toward the end of the fiscal year. In the final analysis, that will undoubtedly produce better informed, better focused RSG programming than the GOB has been able to carry out so far.

The RSG reference group met eight times during 1980/81, often with donors. So far it has functioned primarily to establish project funding priorities. While the reference group will continue to do this next year, it would be valuable if the group meets quarterly, specifically to review RSG developments and identify action needs. Within this context of progress review, it is possible that as competition for RSG funds increases, the group will provide a forum for discussion and mutual assessment of ministerial implementation of RSG-funded projects. This will exert pressure on every ministry to try to maximize the potential of its RSG programs.

There has been good cooperation between USAID and the rural development unit in year one. Procedures ensuring that line ministries clear RSG funding proposals with the RDU, rather than trying to deal directly with USAID, are being established. To improve information flow and enable better informed funding decisions, USAID plans to institute reports to the RDU on the

actual expenditure of RSG technical assistance funds which the mission holds. Likewise, USAID has requested that MFDP quarterly reports and requests for expenditure reimbursement be submitted by that ministry on time next year. However, ongoing discussions and consultation between the RDU and USAID, which have been important in the past, will continue to be USAID's most crucial input to RSG monitoring and management.

#### THE ROLE OF THE ANNUAL REVIEW

The RSG project review at the end of year one has served two important functions. In providing the minimal formal program review that USAID requires, the annual project evaluation has given the GOB the opportunity to assess critically, with the visiting team, the strengths and shortcomings of its implementation efforts. This has been especially important for projects which have floundered since the RSG was established. In addition, the team's visit has provided a focus for government planning of year two RSG expenditures: project design, manpower, and budgetary considerations have all been under scrutiny in this joint programming exercise. In the words of one observer, this has forced the various ministries to pause and take stock of where their programs are heading: they might not have undertaken such a careful assessment otherwise.

In the first annual review of the RSG, however, several problems have arisen which have complicated the planning and programming exercise for year two activities. First, ministries use different definitions for such budgetary terms as "commitment," "allocation," and "expenditure." This makes the determination of carry-over funding for projects within the whole grant from one year to the next very difficult. It is important that in its budgeting of RSG resources in the future, and in its preparation for the next review team's visit, the government make a clear distinction between the mere subwarranting or allocation of funds by line ministries to implementation agencies such as the National Development Bank or district institutions, and the actual expenditure of those funds by those organizations. Second, it is important that in its annual financial summary of the allocations and expenditures of each RSG subproject, the government include a statement of its own contribution to those programs, and not just the contribution of the RSG.

## SECTION SIX FUTURE REQUIREMENTS

Current projections of expenditures in the third year of the RSG show funding requirements of almost P810,000 or \$1.1 million. These projections are based mainly on ongoing activities under projects started in the first and second years. For some projects the assumption is made that there will be no new initiatives. This results in substantial drops in activity for LG 31 and LG 36. For other projects it is possible to project some growth. It is assumed that AE 10, the small projects fund under CI 08, and the small woodlots fund under AE 15 will grow moderately in 1982/83. It is also assumed that it will be possible to start a small projects fund under horticulture development (AE 11) in 1982/83. In short, the projected requirements of P810,000 assume no new initiatives other than increased use of district-level small projects funds. Other possibilities for increased requirements for RSG funds are described in the remainder of this section.

### AREAS FOR INCREASED FUNDING

#### Rural Industries

As RIOs and others involved in rural industry development begin to develop a better understanding of potentials and constraints in that sector, it is likely that numerous needs for studies, research and development, and pilot projects will be identified. This has already begun to happen. In year two, the RSG will finance a gathering study and a pilot blacksmith training program. In the near future, it is expected that MCI will request funds for a food processing laboratory to test ways of efficiently processing the increased production that could result from ALDEP. Another possible activity that should be ready to start in late 1981/82 or early 1982/83 is a supply and marketing agency to support small cottage industries. This agency would supply raw materials, tools, and technical assistance, and purchase the resulting production for resale either in Botswana or abroad. Possibilities include tanning, knitting, and woodworking. Each of these activities would cost more than P100,000.

#### Land Use Planning

The figures in table 2 do not reflect any new inventory or demarcation activities under LG 31 in 1982/83. By late 1981 it can be expected that the pilot inventories will have led to proposals for more full-scale inventories of land use and water points. Also under LG 31, it is likely that the ARU will continue

to require funds for long-term and short-term studies related to communal area development. These two sets of activities combined could require funding of P200,000-300,000 over what is currently being projected.

### Communal First Development Areas

Most districts have now identified CFDAs. The RSG is funding the first stage of planning for several of these areas, through the inventory of available land and water resources. It is not yet clear what specific development activities will occur in these areas, nor where funds will be obtained. This will be studied by the RDU and others during year two. The RSG project consultancies for CFDAs could be used for this purpose. There is a good possibility, however, that a new RSG subproject to finance activities not suited to larger, more structured projects could be needed.

### Expanded Dialogue

The first section of this report and the discussion of management and monitoring recommended that the RDU expand its dialogue with districts and local officials to obtain a better idea of their needs and of the constraints preventing local development initiatives. This dialogue could lead to the identification of technical assistance needs that could appropriately be met through the RSG.

### Agriculture

It should be recognized that, if ALDEP emerges as a comprehensive program to increase agricultural production and income, the possibilities for interventions under the RSG will be greatly limited. ALDEP will include technical assistance, training, research, financing of inputs, and crop marketing programs. Given the strong production focus of ALDEP, however, it is likely that aspects of small farmer production programs that are not directly related to production--activities to encourage decentralization, farmer participation, and the equitable spread of benefits--will not be given adequate attention. In view of the fact that ALDEP as presently designed will have little impact on the bottom 40 percent of farmers of arable lands, there is a clear need for activities that address the equity issue. The RSG could play a useful role in financing socioeconomic research and pilot activities that are aimed at understanding and addressing the special problem of the poorest farmers.

## CONCLUSIONS

In conclusion, it appears that there are potential requirements for RSG funds that greatly exceed what will be available in 1982/83. These requirements should be carefully analyzed as part of the external evaluation of the RSG that is scheduled to take place in late 1981 to determine if additional RSG funding is appropriate. It should be noted that such an analysis would be greatly facilitated if specific possibilities were thoroughly explored by the RDU and line ministries prior to the arrival of the evaluation team.

However, funding requirements are not the only constraint to RSG success. The RSG was designed flexibly to respond to innovation. As such, it will be important to the future development of the Rural Sector Grant for Botswana officials, both in the districts and at the center, to approach the possibilities and assess RSG development opportunities in the most creative fashion possible.

In the first year of the grant, when the project was new and untried, the RDU tried to foster this. Indeed, it did not take long for funding proposals to be put forward, often by districts, which were similar to those already included in the RSG. Only occasionally, however, did institutions propose programs for funding which attempted to use the RSG in fresh and different ways. To manage the RSG most effectively, district officials from across the country, line ministry personnel, and RDU staff will have to continue not only to familiarize themselves with the RSG as a funding mechanism in a narrow sense, but also to begin to experiment with new projects which capitalize upon the project's flexibility. The government might find it useful to tap short-term PSG consulting funds held by the USAID mission for assistance in examining and formulating methods of creatively managing the RSG.

Only when district and center alike perceive the RSG as a vehicle for undertaking rural development in innovative, coordinated ways, and do not feel constrained by the shape of the various activities which may currently be funded, can the full potential of this development project be realized. It is precisely this approach which can make the overall impact of the Rural Sector Grant greater than the combined impact of the individual projects.

## NOTES

- 1 This contrasts with the use of a single line agency, or a subnational government body (such as a district), or an autonomous project management unit as the primary implementation mechanism; see Honadle and others, 1980.
- 2 A controversial and not yet approved report has suggested weakening the DC role and making other adjustments in local institutional relationships: see Report of the Presidential Commission on Local Government Structure in Botswana, vols. I & II, 1979.
- 3 The DOD is district officer development, who reports directly to the DC.
- 4 There are 210 established AD posts. Between 50 and 60 are unfilled as of this writing.
- 5 Time-series data showing the personnel percentage shift and the budgetary percentage shift would be required to fully document a deconcentration process.
- 6 For a detailed examination, see Honadle, 1980.
- 7 Project numbers used in this report refer to Project Memoranda which are the basic documentation used in the design and approval of projects by the GOB.

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