

PN-ARM 661
LSN-28025

2630070/62

Egypt

Management Assessment

Egypt Major Cereals Improvement Project

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CAIRO

July 1981

The views and interpretations expressed in this report are those of the authors and should not be attributed to the Agency for International Development.

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Attachment No. 1

"EMCIP Proposed Construction Procedure as Suggested - AID July 9 Letter"

Attachment No. 2

"Purchasing and Shipping Procedure Steps for EMCIP Commodities"

THE EGYPTIAN MAJOR CEREALS IMPROVEMENT PROJECT

I. Project Purpose and Description

This project was initially designed with the objectives of improving the research and extension capabilities related to modern production of wheat, maize, sorghum, and barley and to devise and implement a program to increase production of these cereals within the Arab Republic of Egypt (ARE). The project contemplates significant financial inputs by both the governments of the United States and the ARE. The original Grant Agreement between the two governments, dated July 25, 1979, called for a U.S. input of \$30,000,000 and an ARE input of \$9,942,800 in Egyptian pounds or "in kind." The Consortium for International Development (CID) was selected to work with the Ministry of Agriculture (MOA) in addressing the above objectives. The initial contract between these two parties provided for the reimbursement by AID of \$18,860,182 to the contractor (CID) for services to the Ministry of Agriculture. It was envisaged that an additional \$11,139,518 would finance the construction of facilities and the purchase of equipment and vehicles contracted for by the Ministry.

The original contract between the Ministry and CID has been amended three times. The first amendment made provision for CID to act on behalf of the MOA in the procurement of commodities. The second amendment shifted responsibility for the purchase, construction, and/or refurbishment of facilities for the project

from the MOA to CID. The result of these two amendments was to increase the total cost of the contract to \$30,000,000.

The Grant Agreement between the MOA and USAID was amended as of September 28, 1980, to expand the scope of the original project to add research and extension activities; to increase grain, legume and forage yields; and include a farming systems research unit and seed processing plants. In addition, this amendment provided for a grant program for Egyptian universities to acquire talent and support university faculty currently involved (or who wish to become involved) in EMCIP activities. After considerable delay (July 1, 1981), the contract between the MOA and CID was amended to add the \$17,000,000 AID financing for these supplemental activities. Certain additional local costs were to be paid by the MOA, estimated at the dollar equivalent of \$9,865,000.

As of now, the EMCIP calls for the disbursement of \$47,000,000 by AID and \$19,808,000 by the MOA for inputs of technical assistance, training, commodities, buildings, budgetary support and other costs which are required in order to obtain the objectives of the project. It involves the collaborative assistance approach of contracting and a host government contract between the MOA and CID.

The project provides for a multidisciplinary team of Egyptian scientists, assisted and advised by a team of American scientists, to be established, with headquarters at the Agricultural Research Center in Giza. It will function

under the leadership of an Egyptian Director General and the guidance of an Executive Committee comprised of representatives of several organizations and agencies involved in cereal production. ~~Four research stations will be upgraded in facilities and personnel to facilitate more efficient and effective research and extension functions.~~

The establishment of pilot extension programs with special ~~linkages to research efforts is a key element of this project.~~ Trained local extension agents are to be placed in each village of the four selected districts to implement the extension program. ~~An extensive training program is planned in-country and outside of Egypt.~~ The program will also assist the Egyptian seed producing and processing industry to improve their capabilities to meet the needs of farmers for increased supplies of high quality seeds. Finally, a mechanization program will be initiated to identify appropriate types of mechanization for cereal production.

II. Current Status of Project

Much has been accomplished by this project, particularly in a relatively new one as complicated as this. However, the project is not proceeding as expeditiously as initially envisaged by the parties concerned. The project is behind schedule in all major inputs as provided by both the initial implementation plan - set forth in the original project paper - and the supplemental implementation schedule for new activities. Inputs have not been forthcoming as scheduled, and thus project outputs are less than anticipated. One indicator of progress is the disbursement of dollar funds. As of June 30, 1981, expenditures from obligated dollar funds totaled only \$4,984,000. Technicians have not arrived as anticipated. Construction work is considerably behind schedule, commodity procurement is lagging and external training activity is yet to materialize. After this period of time, it appears most unlikely that all services will have been provided and all goods financed by the current estimated completion date for the project, established as September 30, 1984.

A report of this nature tends to focus on problems rather than accomplishments of the project. It should be emphasized that despite the implementation problems incurred, the EMCIP is making real progress and the Ministry of Agriculture and the project leadership can take satisfaction in the success of their efforts and for a number of achievements, including their success with large-scale wheat demonstrations.

III. Management and Its Effect on Project Implementation

For the most part, this project is not behind schedule because the various parties had difficulty in understanding, accepting, or interpreting the objectives of the project.

USAID, the MOA and CID continue to agree with, and are supportive of, the project objectives. They are anxious to see that action is taken to improve performance. There have been some instances in the past and there may be others in the future, where the parties disagree on how to best attain project objectives. However, it does not appear that this has been or will be a significant obstacle to successful project implementation. The parties concerned recognize that management problems exist, and that they have impeded project implementation, and thus request the services of this team to conduct a management evaluation of the project.

The evaluation team has concentrated on a review of the management procedures and performance of all the involved parties. We have reviewed most aspects of the project, its mode of operation; the organization; the leadership; the planning; reporting; budgeting and evaluation procedures; communication; staffing, procurement and construction procedures; and other management practices involved in execution of this joint endeavor.

In this report, we have identified a number of management problems, and set forth our conclusions and recommendations for

action. Some of the remedial measures suggested have recently been initiated, perhaps in part, because of the impending arrival of the team. Other recommendations have not yet been acted upon. If these recommendations are followed, progress toward meeting the original project objectives should be facilitated.

We conclude that past problems are ~~not exclusively the fault of any one of the three entities involved~~; namely, USAID, the MOA, and CID. Rather, we conclude that each party has erred in the past and that each must make an effort in the future to improve its overall management performance. These kinds of problems are not unique to this project in Egypt, or to those of other projects in other countries.

IV. Collaborative Method and Host Country Contract

There are differing perceptions of what the collaborative assistance method is on the part of USAID, MOA and CID, with a resultant divergence of expectations. Utilization of a host country contract has introduced further complications in the understanding of relationships.

The Egyptian Major Cereals Improvement Project (EMCIP) is a classic example of a project for which the collaborative assistance method was designed. It involves long-term technical assistance for which educational institutions are logical contractors. Its design makes difficult the definition in advance of precise inputs and goals and involves the long-term development of institutional forms and capabilities. Most certainly the problem areas addressed are of high priority on the part of MOA and are complex, requiring a flexible response on the part of all cooperating parties.

As called for in Appendix H of AID Handbook 14, the present contract holder was involved in the design stage along with the MOA. The host country contract between the MOA and CID is drawn up in such a way that there is ample opportunity for flexible implementation authority and an adequate reliance on in-country logistical support.

In the opinion of the team, the perceptions held by the three principals in this project could be described as follows:

USAID/Cairo - USAID views its role as ideally backstopping the project on matters which involve USAID regulations and policies but without being involved in day-to-day implementation decisions. Buttressed by a host country contract, USAID feels that CID should deal almost exclusively with the MOA in matters of project implementation, inputs, personnel decisions, procedures and technical decisions. Under the best of circumstances, USAID sees its involvement limited to monitoring the progress of the project, sitting in on important program and budget reviews and providing advice when requested. The USAID Mission clearly desires that the project be implemented by the MOA and CID without major involvement of USAID personnel. USAID/Cairo expects a high degree of collaboration between the MOA and CID and considers its dealings with the project to be principally through the MOA governed by the conditions of the Grant Agreement between the two governments.

Ministry of Agriculture - Judging by the administrative arrangements that have been put in place, the MOA considers that the CID team is to collaborate with the government in a relatively vertical manner. Major decisions are the responsibility of the government and are to be made with or without consultation with the CID team members as circumstances dictate. The MOA does recognize the need for mutuality in decisions related to expenditures of funds provided through USAID and any changes in major project inputs and directions.

CID/New Mexico State University (NMSU) - The principal characteristic of the CID view of collaborative assistance can be expressed by the word, "participation." "Collaboration" seems to be synonymous with "participation." The participatory management style is considered critical to effective collaboration. USAID's responsibility is seen as being active in solving problems between the host government and the team. In spite of the host country contract, CID/NMSU assumes it has about the same responsibility to and relationship with USAID as under a direct contract. In the view of CID, the essence of the collaborative assistance method means that many USAID responsibilities move over to the contractor with the result that USAID and the contractor should interact with greater frequency and intensity than USAID and the host government. In one sense, USAID and the contractor should be seen as one entity by the MOA, according to this view.

The differing views of the collaborative assistance method are at the root of many of the problems encountered in this project. USAID's perceptions conflict with CID's in such a way that CID feels a lack of support and even a tilting towards the MOA on the part of USAID. On the other hand, USAID has not been evenhanded in its level of involvement, swinging from quite close to quite distant from CID to the extent that letters of mutual interest were often addressed to the Director General without copying the CID Chief of Party. Because of CID's concept of

having a special relationship to USAID, certain important matters were discussed only with USAID, with only superficial mention to the MOA. The MOA's perception has resulted in CID feeling a lack of participation in many decisions and an uncomfortable subordinate-to-superior role.

It is important to keep in mind that all these perceptions were arrived at honestly and to some extent can be supported. The problem is that there has been apparently insufficient communication between parties, so as to bring the differing views into harmony and understanding. Mistrust and misunderstanding between the parties have been the inevitable outcome.

The team recommends that the following actions be taken:

- (1) USAID/Cairo should examine its relationships with the MOA and CID so as to ensure that it is consistent with the letter and spirit of the Grant Agreement with the Government of Egypt and the host country contract between the MOA and CID. This examination should clearly establish the proper interaction between USAID, the MOA and CID. The team recommends that the relationship be as described in the section on USAID's perception of the collaborative assistance method contained in this report.
- (2) Within the established policies of the MOA, the administration of EMCIP should be designed to encourage the interaction and participation of the CID advisors and their Egyptian colleagues. This should maximize the creativity and contribution of the CID team.

(3) CID/NMSU should give greater attention to the collaborative assistance method principle, that the management style to be employed should be responsive to the desires of the host government. It is a misinterpretation of collaborative assistance to consider that it implies a certain style of management in all cases. What it provides for is the flexibility to develop the most appropriate administrative and managerial systems for the conditions in the host country. The CID team should appreciate more clearly that their role is to assist their Egyptian colleagues, not direct them.

V. Role of Host Country and Contractor Personnel

Some of the problems resulting from varying perceptions of the meaning of the collaborative assistance approach are brought to a head in sorting out relationships and responsibilities between what are now referred to as the co-directors. (To a lesser degree, this also affects MOA and CID staff relationships.) Neither the project documents nor MOA-CID contract provides satisfactory guidance, and indeed, the terminology used in the contract is confusing and readily subject to varying interpretations. To a certain extent, this may have been intended by the contracting parties, in order to allow the relationship to unfold as the project developed. Our discussions with ARE representatives suggest they now have focused on their needs for the EMCIP CID leader as a managerial chief of party, not a co-director per se. (Both concepts are contained in the contract language.) This being the case, MOA and CID should review the position description for the "co-director/chief of party" as contained in the Operational Plan (Annex A of the MOA-CID contract.) They should seek to reach a common understanding of his role, acceptable to both, which reflects project realities. Clear terms of responsibility for the CID chief of party should be both extremely helpful and timely, given intentions to select a new CID leader.

Whatever new understandings are reached, there will be some areas of responsibility solely within the purview of the CID chief of party, e.g., administrative matters concerning expatriate

staff, such as reemployment at the parent university, sick leave, and so forth. There will also be many areas of project management, however, which will require joint MOA-CID leadership agreement. In such areas, the director general and CID chief of party will have to find ways to arrive at joint decisions, and take into account the principal concerns of each other. There is no easy formula for doing so, but what can be done is to initially rely on formal procedures of approval, and the exercise of patience and understanding, until they find they are synchronized in approach and judgment.

Because the EMCIP is very large with a multitude of activities, budgets, and personnel in progress at any given time, as much authority as possible should be delegated. With careful selection of properly motivated staff, benefits to the project would be great. Delegation could free senior personnel to spend a greater portion of their time on policy analysis and decision making, reducing the number of people reporting directly to any one superior, lessening the sheer quantity of document and expenditure approvals which are put before him. This could significantly increase productivity, at all levels.

Many of the MOA staff who work on the EMCIP have job responsibilities outside EMCIP itself. Full-time staff is highly desirable, and some might argue essential, if the program is to flourish after completion of the USAID project.

Nevertheless, while the present arrangement may not be optimal (for example, extension personnel work on other crops), it is understandable in the broader context of Egyptian public sector policies, and need not hamper EMCIP implementation. What is required is commitment on the part of MOA personnel to give, on a priority basis, such time as is necessary to EMCIP. (This is absolutely crucial with regard to the district extension leaders, and in due course the village agents.) CID advisors should be involved in a useful, substantive manner on the project, and in discussions and deliberations in relevant project areas. This has not always been the case.

To perform effectively, CID advisors will have to be innovative in carrying out their assigned roles, and also in demonstrating their substantive worth. This will probably require work style adjustments and flexibility to changing circumstances. Developing good working relationships is a precondition to substantive technical input, a rule which should particularly be kept in mind during the early phases of an advisor's tour.

VI. Communication Between the MOA, CID, and USAID

A. General

The EMCIP is essentially an experimental, institution-building program. Because of this innovative nature, project success depends on effective and continuous communication between the principal performers. Concept documents (the project papers) and contractual agreements (the grant agreement, host country contract, and amendments) provide the structure for the project, but it remains for the project implementors to devise the specific arrangements and working relationships which will translate theory into practical results.

At the heart of the EMCIP is close coordination between MOA and CID. Project design changes and implementation adjustments can only be made in a timely and efficient manner if this linkage is strong. USAID must function so as to be supportive of the project and the evolution of positive host country-contractor relations.

Despite good intentions on all sides, the team found that many of the current project difficulties could be traced to poor communications among the MOA, CID and USAID. We will not detail past oversights in this report. Suffice to say that mistakes were made on every side, and all have expressed the desire to improve their performance in this regard.

B. MOA and CID

The management team is of the view that good relationships between the MOA and CID will basically depend upon recognition

that there is mutual commitment to project objectives. In an atmosphere of mutual confidence and dialogue, almost all problems become solvable.

There are several measures which can contribute to the nurturing of such a congenial working environment. The co-location of project staff, both at Giza (and in due course at the research stations) should go a long way toward improving inter-office contact. In the USAID-financed rice project, we observed local and expatriate professionals, working side by side to good effect. This should be duplicated in the EMCIP once CID offices are co-located with those of the MOA. The team was encouraged by MOA commitments to provide CID with adequate office space in the Giza complex and we strongly recommend this be done as soon as possible.

Communication channels need to be clarified. We found that there was considerable confusion over who in MOA (or CID) should receive which kinds of letters or memoranda, and who was responsible for taking what kinds of actions. Apparent unintentional oversights to forward written communications to appropriate personnel, whether for approval, clearance, or simply information, have soured relationships on various occasions. The management team considers inter-office communications too important to be left on a case-by-case basis. We recommend MOA and CID discuss and establish streamlined procedures for routing important communications. Standard operating procedure for both should

involve dating documents when drafted and received, as well as when action is taken. Responses should be reasonably fast, with internal systems developed to alert staff of due dates and the need for follow up. The team supports the recent procedure developed for the handling of correspondence between the co-directors.

The MOA noted that there had been instances of long delays between a TDY visit and the submission of the TDY technical reports. The team recommends that short-term experts be instructed by CID before departing for Egypt that they will be expected to complete their report before their departure from Egypt, or alternatively, to commit themselves to a submission date, contained in an interim, pre-departure memorandum.

The MOA indicated that it was not satisfied with CID advisory and technical backstopping committee communications. MOA was especially concerned with the lack of adequate technical feedback. We understand that improvements have been proposed by CID and accepted by the MOA. These arrangements will include sending to the MOA copies of backstop committee minutes as well as decision memoranda. The team was encouraged by this cooperative problem-solving approach, and we endorse the approach outlined.

Information sharing is a key element of communication. The host country contract provides that CID will submit regular reports to the MOA. It does not address the question of what kind of regular information the MOA will provide CID. It is our view that in the best interest of the EMCIP, pertinent

short-term (monthly) reports prepared by and for MOA internal use should be looked at from the vantage point of what information could be readily extracted to help CID do its job better, and a regular system should then be established to do so. We understand that in a number of instances program leaders or MOA deputy directors take it upon themselves to summarize developments for CID. Tasking these officials with such a responsibility is a drain on their valuable time and may be as effectively accomplished by other means. The central point is not a particular way the MOA should share information with CID, but that there must be a two-way flow of project performance information that goes beyond problems, and includes progress and plans at the working level.

There was a general consensus that greater attention needs to be given to integrating staff and developing a sense of program identity. During our discussions, several MOA and CID representatives referred to frequently held project meetings attended by 20-25 people at Giza. The basic concept is a very good one, and we vigorously support establishment of regularly scheduled, MOA and CID participatory sessions to share and disseminate project information and approaches, and, to a lesser degree, serve as a problem discussion and solution forum. It may be that these meetings can be held every other week with attendance broadened to include a wide cross section of those involved directly or indirectly in the EMCIP such as

governorate representatives, under-secretary of extension officials, field crop institute researchers, and so forth. For such meetings, an agenda should be prepared and circulated in advance, and minutes taken. The minutes should highlight what took place, not provide a verbatim record. (It would help to develop a cooperative spirit if both MOA and CID personnel were asked to prepare them.) These meetings might be complemented with longer annual or semi-annual all-day sessions, as was done in September 1980 at the "First EMCIP Annual Training Meeting." Our reading of those proceedings suggests it was a very constructive exercise.

For short-term management problem-solving communications to work, a different, less formalized structure is required. The co-director, national team leaders, and key CID personnel, as well as ad hoc invitees, need to meet regularly as an executive management committee.

In the early phases of a technical advisor's tour, his sense of purposefulness depends on someone to talk to who has long, in-country experience. A MOA team associate would assist the CID technician in solving threshold questions of whom to contact and how best to proceed. This would not be a counterpart relationship in the traditional sense. It would be designed to alleviate some of the initial frustrations expatriates experience in trying to get started with their element of the program.

C. USAID/Cairo, the MOA and CID

USAID/Cairo can contribute substantially to increased communications by informing the MOA and CID of USAID agricultural or other sector programs which significantly affect the EMCIP. Working with the MOA, USAID/Cairo should devote a portion of its limited staff time to share what it is doing and learning in a sector with USAID-funded contracts. Experience and information gained in one program should become part of the data base for the others. In this connection, we see potential important linkages between the EMCIP and the Water Use and Management, Agricultural Development Systems, and Rice Projects. We understand USAID/Cairo has instituted monthly meetings of the chiefs-of-party of the various agricultural assistance projects, and we think this is a step in the right direction. USAID/Cairo may also be the appropriate entity to organize meetings between the technical professionals, as well as identify reports which should be provided from one project to another.

As to project implementation, USAID/Cairo should make every effort to respond quickly to MOA and CID letters, even if only with an interim response. USAID/Cairo needs to clarify to the other parties how AID operates and the implications resulting from requests to change rules, i.e., a waiver request is an exception to normal AID procedures and will probably require extra time. Generally speaking, clarifying AID regulations is an important, ongoing responsibility of the

USAID Mission in Cairo. If a particular question involves various USAID offices, it is the task of the USAID project manager to see that these are brought into the process, and that there is follow up within USAID.

VII. Conditions Precedent and Covenants

The Grant Agreements include a number of Conditions Precedent (CPs) which must be satisfied before funds allocated for various purposes under the Grant can be disbursed. The CP related to Initial Disbursement and Disbursement for Technical Services have been met, although perhaps not as precisely as initially intended. This may account for the fact that the Executive Committee, whose establishment was called for in these CPs, does not function better.

The Executive Committee can and should play an important role in the project. It should, on a regular basis, review progress in achieving objectives, discuss programs, redesign proposals to adjust to changing circumstances and needs, relate research and extension activities undertaken by this project with others in Egypt, and resolve major differences between Contractor and Grantee which (a) cannot be solved by the parties themselves or (b) which significantly affect execution of the program. To fill this role effectively, the Executive Committee must have a membership of active high-level officials with positions, interest and experience related to the functions of the project, and it must meet regularly enough to maintain some familiarity with the activities of the project. This Committee could be chaired by a person delegated by the Minister of Agriculture who is not directly involved in the day-to-day administration of the project. This Executive Committee has not functioned in this fashion and has, in fact, only met once since it was established. It is now recognized by the project leadership that the lack of an active

Executive Committee has deprived the project of guidance that could be valuable in strengthening management in dealing with the complex problems involved in creating a new institution.

Other CPs have not yet been met. USAID should issue project implementation letters with respect to the CPs still outstanding and MOA should respond expeditiously. Without this, further delays in the implementation of the project cannot be avoided. The allocation of land required for research at the four Research/Extension Centers is critically important. Under AID rules, no funds can be disbursed for construction without formal assignment by the MOA of the land required for all purposes of the project. As far as we know, a decision has been made by the MOA to allocate the necessary land to the Major Cereals Directorate. It is essential now for USAID to discuss with the MOA the precise form such an assignment should take in order to satisfy USAID requirements.

The situation with respect to other CPs is not altogether clear to us. Some activities which are subject to CPs are in fact being carried out. These include procurement of various commodities and services and payments of per diem and travel expenses of EMCIP staff. They are covered under the terms of contracts between ARE and CID, but their status under the Grant Agreement needs to be clarified.

Action on other CPs related to activities later on in the project should also be taken well enough in advance to avoid

implementation delays. In connection with the CPs related to the university grants component of EMCIP, it may be useful to develop the procedures for these grants by drawing on the experience of the ongoing activities of the AID-funded Linkages Project of the Supreme Council of Egyptian Universities.

Covenants in the Grant Agreement cover a broad range of subjects. Some deal with matters of general concern to AID and USAID/Cairo, such as the full participation of women and the gradual reform of Egyptian price policy for agricultural commodities. Other covenants bear directly on EMCIP activities and seem so important to the success of the project that it would seem advisable to seek early agreement on their implementation.

The team recommends prompt action for dealing with the outstanding CPs. The process should be initiated, as is necessary, by Project Implementation Letters from USAID to MOA and should elicit an early MOA response so that implementation can proceed without further delay.

VIII. Project Planning, Reporting, Budgeting and Evaluation

A. General

Planning, reporting, budgeting, and evaluation are all closely interrelated aspects of management and are treated in this report as such. The original project paper and its subsequent amendment went into great length in outlining the detailed inputs required to meet them. Implementation schedules were prepared. However, it was recognized that circumstances would arise necessitating amendment of these plans and thus, the schedules. The collaborative assistance approach to the project provides the framework for needed flexibility, to enable the parties to adjust to AID-financed inputs and various financial estimates within the bounds of the overall plans and budgets to particular project needs. This approach also provides flexibility by allowing adjustments at the implementation level, without going through the contract amendment process, by providing that detailed work plans not be a part of the contract. However, work plans should exist and be used by the parties to the contract as a planning and budgeting tool.

B. Work Plans

Effort has been directed to developing work plans for parts of the project. However, the team is of the view that the lack of MOA and CID jointly developed, comprehensive work plans for all aspects of the project inhibits project progress. Such plans

should be developed as a working document to be modified when the situation demands. Normally, the work plan and derived budget will cover a rolling two-year period, i.e., each year another yearly increment is added after review and approval. Plans should contain specific description and scheduling of all inputs, such as number and types of staff, training needs, commodities, and specific activities to be carried out. Work plans should be developed and available to facilitate management review of the project budget.

C. Reporting

Under the terms of the original contract, CID is required to prepare and submit a quarterly report within forty-five days following the end of the period being covered. This report is to include (1) a substantive report covering the status of the work under the contract, indicating progress made with respect thereto, setting forth plans for the ensuing period, including recommendations covering the current needs in the fields of activity included under the terms of the contract and (2) an administrative report covering expenditures, Egyptian trainees abroad, and personnel employed under the terms of the contract. Copies of this report are made available to USAID.

It is the view of the team that improvements can be made in the report that would facilitate its use as an instrument for improved management. Completed work plans, of course, would facilitate substantive reporting by providing a program basis for outlining project progress.

To date, this report has not included a report on the status of funds being provided by the Government of Egypt. It is understood that the Director-General and the Chief of Party have agreed to incorporate such information in the next report to better reflect total resources being directed to the project. We support this effort.

The report on dollar funds is not currently presented in a form to enable the Director-General, the Chief of Party, or other top management to use the information effectively. Disbursements are presented on a line item basis, but they are not compared to planned disbursements. The report is not prepared on a program basis. No report is made on an obligation basis. It is understood that records are available which would enable reporting on a program basis (CID has already initiated this action) and by obligation, a better measure of real progress. It is further understood the staff of the contractor is capable of maintaining records and preparing reports on this basis. To facilitate management review, it is recommended the subsequent quarterly reports be presented on both a line item and program basis and that both obligations and disbursements be indicated and compared to budget estimates for the period involved.

It would be helpful if views on these quarterly reports were communicated to the Director-General and the Chief of Party by CID, NMSU and USAID/Cairo.

The team has reviewed a number of technical reports prepared by the CID and MOA personnel and their Egyptian colleagues and

find them to be of uniformly high quality.

D. Budgeting

The budget can and should be a most important management tool. It is not being effectively used insofar as the EMCIP is concerned. As indicated above in the discussion on reporting, it is believed that the annual budget documents should be presented in a manner similar to that suggested for the reports. The team was advised that the MOA and CID have agreed to semi-annual reviews of the contract budget, the first to take place in September 1981. We support this undertaking. This review should focus on MOA inputs as well as those financed by AID.

It has not been possible for the team to review the system of budget execution in-depth. However, we were left with the distinct impression that improvements may be called for. Major budget decisions must be reserved for top management. In the case of this project, the MOA is granted great flexibility by AID under the Grant Agreement and is authorized to shift funds between fixed line items or program categories, so long as it remains within the total contract amount and approved types of activity. CID, in turn, has been authorized under its contract with the MOA "to increase or decrease any of the line items in the firm budget as reasonably necessary for the performance of the work." However, if there is to be a congenial relationship between the two parties, there should be a mutual understanding that such changes should not be made without the Director-General

being kept fully informed. Although significant budget changes presumably would not be required other than those agreed upon at the proposed semi-annual reviews, an understanding should be reached by the co-directors as to action which should be taken if the need should arise at some other time. Within approved line items, for approved programs, it would appear that the Chief of Party should generally have the authority from the Director-General to proceed with operations as necessary to carry out agreed activities.

The MOA funded portion of the project is clearly the responsibility of the Egyptian Government, and it has not been possible to become familiar with their procedures during the time period of this evaluation. However, we have been advised, at the lower levels of project implementation that project progress could be facilitated if increased authority were delegated local officials, within approved budget levels, to obligate or commit funds. It is suggested that the Director-General review this matter in order to determine whether or not greater delegation of authority than now exists is warranted.

E. Evaluation

Both the Grant Agreement and the Contract, as amended, provide for project evaluation. The project paper calls for internal evaluation at the discretion of project management to ensure that project activities are being directed toward the achievement of project outputs and purpose. It would not appear that an organized internal evaluation program has been in

existence. It is suggested that the development of such a program is warranted.

The contract requires that major external evaluation reports be prepared during the third and fifth years of the project. The first shall serve as an interim evaluation and the second as a final evaluation report. This external management evaluation should not be considered as the first major evaluation.

The project paper also calls for an annual evaluation by USAID/Cairo, through its project monitor, to examine project progress with the contractor and the MOA staff. The team finds no evidence that this function was performed on a formal basis. Although it is recognized that the project officer often worked with both Ministry and contract personnel in the resolution of specific problems arising in conjunction with project implementation, it is recommended that he participate with the two parties in a more formal evaluation. Even more preferable, and to avoid duplication of effort, it would appear that such review and evaluation could take place at the time the two parties discuss their plans and budget requirements on a semi-annual basis.

IX. Staffing

A common theme running throughout the project papers and many of our interviews is that the EMCIP will only be as good as its staff. Care in the selection of personnel will be required of both CID and MOA if EMCIP is to develop into an integrated research and extension program capable of reaching the Egyptian farmer.

"Highly qualified" as a personnel selection criteria, therefore must be viewed in this project-specific context. Any miscasting or misassignment resulting from a lack of understanding by the MOA and CID as to what is required will exacerbate tension and loss of confidence, particularly at the higher EMCIP levels.

We propose several measures which should remedy or reduce the possibility of such mistakes in the future: Job descriptions should be reasonably detailed and indicate what qualifications are most critical, e.g., extensive experience in a particular specialty field orientation, and so forth. Recruitment should be nationwide with qualified CID candidates given priority. Next, CID should present several applicants for consideration by MOA and in-country CID staff for each position so that job skills and experience can be assessed against requirements. (To a lesser degree this procedure should be followed for short-term experts.) When a long-term applicant has been identified as the preferred candidate, it may be appropriate to bring him to Egypt for a short pre-selection period. This has been done in some cases. Such

decisions should be made on a case-by-case basis, with costs and circumstances taken into account.

Once selected, the long-term advisor should be given a commitment for the entire period of his or her contract. (The MOA-CID contract specifies that the expected term of the contract is two years.) Any conditional, one-year commitment approach would be a disincentive in terms of attracting good people to the program and prohibitively expensive. In many cases the results of the technical advisor's work would only begin to be realized after the first year. This is not to say that advisors who fail to produce cannot be terminated before the end of their contracts; but it should be done through a formal procedure.

If EMCIP is to have the kind of impact and quality reputation envisaged, it may be necessary on occasion to 'select out' individuals, both CID and MOA, who are not highly motivated, performing effectively, or simply miscast for their assignment.

With regard to the decision to change the CID Chief of Party, we believe the correct decision has been made under the circumstances. All interviews confirmed the fact that the current Chief of Party is a highly respected scientist, well liked by both MOA and CID personnel. He was inadequately briefed and, over time, circumstances beyond his control impaired his effectiveness to serve as Chief of Party. The procedure for filling the position should follow the suggestions outlined above: the job description should be reasonably detailed and emphasize managerial experience; several applicants

should be identified and presented to the MOA for consideration; and the preferred candidate should either be brought to Egypt (or meet the Director-General in the U.S.) before any long-term commitment is made. Once the Chief of Party is chosen and a long-term contract signed, he should be briefed by both CID/NMSU and AID. Both he and the Director-General will have to develop and maintain an atmosphere of confidence and cooperation.

With regard to the MOA staff, we were impressed with their technical competence, but we have reservations concerning their managerial skills. Informal cooperation at the functional level appears excellent, but more than that will be required as the project expands in size and complexity. This suggests that there will be an increasing need for full-time staff in the future. Bottlenecks are foreseeable when more part-time staff are called upon to do EMCIP tasks which could be better done by fewer well-motivated, well-informed individuals.

Concerning wage rates paid to local CID employees, we conclude that CID policies are basically consistent with U.S. Government guidelines for Egypt. In the context of EMCIP, there are distinctions between MOA and CID employees: CID local-hire employees do not have permanent contracts, work longer hours, and in the main, must be bilingual. Local employee selection and salary levels are areas of administrative management which we believe should be left to the CID Chief of Party. However, as a courtesy, the CID Chief of Party should take it upon himself to keep the MOA Director-General abreast of CID support staff matters.

X. Construction

At the time of the visit of the evaluation team, all construction activity was on hold and had been since May 19, 1981. On July 16, 1981 at a meeting of MOA, USAID and CID representatives, a procedure for carrying out major construction was reviewed by all parties (Attachment 1). This procedure is based upon information supplied by USAID engineers which describes in some detail the "design-construct" method incorporating competitive bidding procedures.

While it is encouraging that past misunderstandings and divergent opinions have been overcome and a mutually agreed upon procedure established, this procedure will materially delay the completion of badly needed buildings. Based on the team's understanding of the process and from experience in other similar efforts, it will take approximately five months from the date work starts on developing the request for design-construct competitive bids until ground is broken -- and this is probably optimistic. In addition, it will take from two to three months to complete the more simple prefabricated buildings already on sites. Those buildings requiring design from the ground up, such as housing and the five laboratory/office complexes, will likely not be completed in less than two years.

The successful completion of even this extended timetable will depend in large measure on the availability of a well trained and experienced CID construction supervisor and counterpart.

At this writing the situation of the CID Construction Supervisor is unclear.

The team finds that it is essential that a highly trained CID construction supervisor and his MOA equivalent be available to supervise the extensive and somewhat complex building program. The team is convinced that the present Construction Supervisor is an extremely knowledgeable and experienced professional who has an excellent grasp of the situation. It will be extremely difficult to obtain the services of as qualified a construction supervisor and therefore it is recommended that serious efforts be made to retain him.

The delays which will result from following the competitive bidding procedure for the procurement of design-construct services will have a negative impact on project implementation. Aside from the fact that USAID and CID did not keep the Director-General informed, the team finds that the procedures followed in seeking to acquire design-construct turnkey construction through pre-qualification of a single source were in accordance with accepted business practice and would have speeded up construction time. It is important to note that the extensive pre-qualification analysis of the several firms that responded to the request for expression of interest revealed that only one firm had substantial design-construct experience. This would appear adequate to justify single source procurement.

The team recommends that the MOA, USAID and CID carefully restudy the process that led to the selection of Egyptian Building

Systems to see if it is possible to proceed with negotiating a design-construct single source contract under the regulations of the ARE and AID, thus gaining at least three months in starting construction. If this proves impossible, then every effort should be made to quickly readvertise for expressions of interest in a design-construct contract. Pre-qualification conditions should be drawn up with extreme care so as to insure that only qualified and experienced firms will be in a position to bid on the contract. It is further recommended that because of USAID's experience in Egypt that it actively assist in development of the terms for contract negotiation.

XI. Procurement of Equipment and Supplies

Appropriate and timely procurement of equipment and supplies is necessary for smooth project implementation. Unfortunately, there have been delays in critical purchases, and the team finds that unless changes are made there will be delays in the future.

Undoubtedly occasioned by the breakdown in communication during the purchase of farm machinery, purchasing and shipping procedures have been established by joint agreement between MOA and CID (See Attached 2). These procedures call for the approval of the Chief of Party at three different times, the Director-General and USAID/Cairo twice. Documentation must undergo two round trips between Cairo and Las Cruces before the purchase can be made. This is required regardless of the value of the purchase.

These procedures are likely to mean that to reach the stage of placing an order with a vendor, it will take at least three months from the time of the preparation of the list of needed commodities in Egypt. If shipping and customs clearing time is added, conservatively it will take five months before a purchase is delivered to EMCIP in Cairo. In some instances, such delays will be of no consequence, but in others they could be catastrophic to orderly project implementation. Also part of this picture is the large expenditure of staff time represented by this procedure.

A problem that was reported by CID staff was that New Mexico State University procurement regulations were quite rigid and that documentation was overly delayed. To the extent that this is true, the already difficult problem of procurement is

made more so.

In the matter of procurement of equipment and supplies, the team would like to present the following conclusions and recommendations:

- (1) The newly adopted purchasing and shipping procedures are complex and over-managed. Very large single purchases might merit such procedures but certainly not all U.S. purchases. It is therefore recommended that single purchases in the United States of less than \$100,000 be exempt from the new procedures. Signatures of the Co-Directors would be needed only on the original list of needed commodities developed by EMCIP staff and on the written specifications made by NMSU. USAID/Cairo approval would not be required unless the purchase was not included in the pertinent work plan.
- (2) When appropriate, off-the-shelf purchases in Egypt should be authorized in accordance with existing AID regulations.
- (3) CID management in the United States should undertake an evaluation of NMSU procurement and shipping policies and procedures to ascertain their flexibility and appropriateness for EMCIP needs. Special attention should be given to the responsiveness of the system to the peculiar needs of relatively large-scale purchases for maritime shipment to a foreign country. The speed with which the system can carry out a purchasing request should be evaluated.

XII. Agricultural Machinery

A critical input for EMCIP is a supply of appropriate agricultural machinery. Two types of machinery are called for in the project design. One group consists of relatively heavy machinery of conventional design for use at the experimental stations. This machinery in large measure has been delivered and after considerable damage repair work and some modification, the machinery is or will soon be in full use. The second group consists of the development and testing of light machinery especially appropriate for use by the small farmer. None of this machinery is available at this time although the CID Farm Mechanization Advisor stated that development work will soon start.

The MOA has expressed considerable dissatisfaction with the machinery procured by CID. These complaints centered on the quality and the condition upon arrival. There is a difference of opinion with respect to the overall quality, but there is general agreement that the Stanton plows are somewhat inadequate for heavy soil use. Much of the damage was shipment damage although breakage occurred in initial use. The initial breakage was due principally to releasing the equipment before final adjustments and full testing under pressure of need at the stations.

In the opinion of the team, some of the problems with the machinery procurement could have been alleviated by full and timely consultation with the Egyptian Director-General. Recently

agreed to procurement procedures should avoid this breakdown in communication in the future. (See Section on Procurement.)

Even though the machinery is less than ideal in the opinion of the Egyptian Director-General, observations by team members and discussions with Egyptian staff at two research centers plus in-depth discussions with the CID farm machinery advisor, lead the team to conclude that it will serve the project well as soon as all the present repairs and adjustments are made.

The most critical managerial problem in the area of machinery is the management system employed to maximize utilization and service life. Machinery properly maintained with operators knowledgeable and skilled in its use is essential to the success of the four research centers. Team members, in visits to two centers, were able to observe conditions that, if improved, would result in better management of machinery. Conditions that were apparent from this superficial observation were the existence of a quantity of unused or worn-out equipment from previous programs, lack of ready supply of materials for routine maintenance and the absence of a highly trained Egyptian machinery supervisor. Discussions with CID and Egyptian staff confirmed that the management of machinery was worthy of attention.

The team recommends that the Director-General request the CID Farm Mechanization Advisor and his MOA equivalent to develop a management plan for the EMCIP machinery. The plan should be detailed and directed toward proper maintenance training of

operators and mechanics and efficient utilization practices. The report should be submitted to the CID Chief of Party for his comments and transmission to the Director-General for final approval. The Director-General may wish to consult with the Mechanization Advisory Committee in this matter.

XIII. Training

The team was impressed with the importance attached to training by both parties in EMCIP.

The Egyptians, however, expressed disappointment with the progress of the training program and focus their dissatisfaction on the low rate of expenditure under the training budget. Clearly there have been delays, but the mechanics of recruiting and preparing candidates for training in the United States are improving. A matter of greater concern may well be the lack of a comprehensive training plan and, more broadly, a clear sense of direction and purpose related to EMCIP goals. Implicit in the specializations of the CID team is the fact that the project designers drew a distinction between agricultural training and extension education, but this distinction is nowhere fully discussed; nor is it reflected in the budget.

A later section of this report deals with extension education. It may not be out of place here, however, to suggest that this function needs to be reviewed in the light of a comprehensive analysis of training needs to meet EMCIP objectives. Given the commitment of the MOA to extension primarily through block demonstrations rather than through farmer education, the extension training function could perhaps be more effectively supported by an Information and Media Specialist than by an Extension Educator.

The role of an Agricultural Training Specialist is not clearly defined beyond his duties with respect to short-term in-country training. During the past year, a large number of

mini-courses and relevant educational meetings have been organized, taking advantage of both permanent EMCIP staff and specialists on TDY assignments.

Once a training plan has been developed, it may be possible to expand the short-term program that has been started, so that in-country training can more systematically be brought in line with EMCIP objectives. This will require the ongoing full-time attention of the Training Specialist. He should be teamed with an Egyptian counterpart, in order to provide a basis for continuity of the training function in the Major Cereals Directorate.

With respect to U.S. and other out-of-country training, the role defined in the project paper for the Agricultural Training Specialist is essentially that of a facilitator. The team believes that this is not what the project needs, at least not by way of a senior training specialist. That function could and should be assumed by a skillful, locally recruited expediter working with the back-up staff of CID.

EMCIP should develop a broad range of short-term academic training and formal graduate and post-doctoral programs in various fields of agricultural specializations. The CID team does not appear to have this capability at this time. We believe that this function could perhaps best be carried out by an Egyptian coordinator of senior status, charged with completing the long-range training plan for EMCIP - and possibly for other ARE programs - and with advising the Director-General on staff

development and training policy. This coordinator should be assisted, to the extent required, by U.S. experts on extended or successive TDY contracts.

The coordinator should work closely with the National Program leaders, the Directors of the Research/Extension Centers and EMCIP scientists who will define for him the technical aspects of training required in their fields. The focus of the coordinator's work should go beyond the time frame of the project and comprise a systematic look at the resources of graduate faculties of Egyptian Universities available for training agricultural scientists. To be effective, the coordinator must have the status and qualifications to carry the responsibility of advising EMCIP management and to interact on a professional level with the project's scientific staff and with faculty of universities and members of research and training institutions, both in Egypt and abroad.

The team's attention was drawn to the need for a clear definition of language requirements for participation in grant-funded training programs. In this respect, it is our view that a common sense approach should prevail, consistent with existing AID regulations pertaining to participant training, and the professional needs of the candidates.

For the great majority of persons selected for formal training programs in the United States and at training centers elsewhere, a high degree of fluency in oral and written English will be essential to assure that they get the full benefit of the investment made in their training. This should not exclude consideration being

given, on a case-by-case basis, to short TDY assignments on invitational travel for persons, especially senior staff, with good English comprehension, who will work mainly in a one-on-one relationship in the course of their overseas visit.

On the basis of this discussion, the team recommends that EMCIP management give attention to the development of a comprehensive training plan, as part of the overall work plan for the project recommended elsewhere in this report. This training plan should be costed and phased so as to relate to the priorities defined by the technical research and extension needs of the project and long-term requirements of institutionalizing the capabilities of the Major Cereals Directorate of the ARC initiated under EMCIP.

To prepare such a plan, we recommend the appointment of a senior Egyptian training coordinator, to work with the management and technical staff of the Major Cereals Directorate. He should be assisted by a CID agricultural training specialist, recruited for the project under an extended or recurrent TDY contract.

XIV. Management Problems in Research, Extension and Seed Production and the Expanded Program

1. Research

The team was impressed with the efforts of the national research program in maize and sorghum, wheat and barley, soils and farming systems based on reports, field observations and from personal discussions with the national leaders.

Somewhat disappointing was the report of the lack of progress in the supporting disciplines of entomology, pathology, and physiology. Perhaps this relationship will be strengthened as laboratory and field equipment is delivered and installed and the opportunities for more cooperative programs exist.

The use of TDYs to assist the research team leaders has been commendable and productive. Encouragement should be given to continue the use of scientifically qualified people to advise the research program leaders and provide advice and direction in critical research and production problems as they arise.

Discussions and reports from the national team leaders stressed the importance of having land on the state farms permanently assigned to EMCIP for research programs. This assignment will remain a critical issue until this action is accomplished. Likewise, the management of the farming operations on each station, which is necessary for a successful field research program, must be firmly established as a responsibility for each research/extension director.

2. Extension

It was not in the province of this team to address or attempt to mediate the difference in philosophy between the extension system and the research programs in regard to the dissemination of information and the transfer of technology to the small Egyptian farmer. This difference in philosophy will be discussed and the approval of a final Egyptian extension model will be decided upon at the highest levels of the Egyptian government.

The efforts of the EMCIP to increase the production of the major cereal crops and the forage and grain legumes should not await the development of a national extension plan or re-organization of the present system. Instead, efforts should be intensified to facilitate the transfer of new technology developed by research to the Egyptian farmer.

Almost without exception, those interviewed by the management team stressed the importance of the role of extension for the successful completion of the project, as outlined in the project paper.

The project paper, as revised, called for the appointment of 20 village extension agents in each of the eight EMCIP governorates. To date, apparently none of these has been appointed. The extension leaders must be advised soon if this revised plan has been fully accepted or some alternative configuration will be selected.

The team was given to understand that salary incentives provided to the district agronomists on the EMCIP program are

below that for research technicians with comparable training and experience. The lower level of incentive payments has affected morale and has resulted in a large turnover of Egyptian extension staff. Efforts should be made to equalize these payments and provide them to EMCIP extension staff in a prompt manner.

The assessment team was advised of instances where the extension staff was not afforded the complete use of EMCIP facilities and equipment.

The feedback mechanism from the district agronomists to the research leaders has not been firmly established at this stage of the project. Efforts must be made by both the research and extension team leaders to initiate this feedback. If this does not happen, the research program leaders will find they are not taking full advantage of the extension mechanism.

The original extension plan called for four extension team leaders with one to be assigned to each of the four research and extension centers. These plans have been modified so the governorate extension director also functions as extension team leader with offices at the governorate headquarters. The district agronomists are using offices already available. Given these developments and appointments, efforts must be made to assure the integration of the extension field staff to the Research/Extension Centers or the extension link will be missing.

Incentive payments for extension staff in the field requires extensive document approval and has led to confusion,

misunderstanding and delay in payment. The management assessment team understands a streamlined payment approval process has been developed and submitted for consideration. It is recommended that an improved incentive payment system for the extension staff be brought on-stream as quickly as possible.

Transportation for the district extension staff is essential if they are to accomplish their extension program. The assessment team was advised that the plan for providing pickup trucks to the district agronomists was modified downward from 70 to 35. The adequacy of transportation should be reviewed regularly to assure that transportation does not constrain successful implementation of extension activities.

Successful demonstration programs, unless followed up by actual, real on-farm extension programs combined with major changes in the private sector, such as availability of seed, fertilizer chemicals, credit and better prices and possibility to mechanize, often have little long-time effect on the overall farm production. Frequently, it has been found that the research program must be reoriented. There has been concern that the lasting effect of EMCIP on Egyptian agricultural production will not be as great as possible unless the present research demonstration plans are allowed to be flexible to consider more actual farm production constraints.

3. Seed Production

The production, processing and distribution of foundation quality seed on a continuing basis is a cornerstone of the major cereals and forage and grain legume program. Without good quality seed distributed in sufficient quantities to reach a good share of the village farmers, the extensive breeding programs will not have the measure of success planned.

There has been a good limited start in the production and distribution of foundation seed of Giza-1 maize, foundation seed of the new sorghum variety Giza-15, foundation seed of several improved wheat varieties and Giza-121 barley. The national program leaders should be commended for this initial effort in this program.

The delay in obtaining the seed processing equipment and the facilities for the equipment is unfortunate. However, this initial start combined with the identification of four Egyptian scientists for training in the United States on seed production and processing indicates some successful efforts. The management assessment team urges the EMCIP to maintain their active interest and role in the seed production program because their efforts will be rewarded in the final success of the program.

The development of a private seed industry for the increase and distribution of foundation maize seed was explained to the assessment team. This is a very encouraging development and should be given additional emphasis. Perhaps at a later date private industry can become involved in the wheat, barley, sorghum,

forage and legume crops and the EMCIP program should foster this program. In the future, the EMCIP leadership might consider changing or broadening the responsibilities of the seed specialists to include research management.

4. Expanded Program

The Amendment to the Major Cereals Project added a farming systems component and expanded the project to include two additional crop groups, namely, forages and grain legumes. Rather than create entirely new projects, it was decided to incorporate the forage crops and grain legumes into the Major Cereals Project and to further integrate the programs through the addition of a farming systems research project. This Amendment provides funds for the farming system component, establishes a research-extension program in forages and grain legumes and strengthens the major cereals program. The program planned for the forages and grain legumes will differ from the major cereals program by utilizing the present institutional framework. In all other organizational aspects, the forage and legume research activities will parallel those in the major cereals program. Since the forage and grain legume research is late starting, the co-directors should make strong efforts to encourage these new programs and integrate them into the EMCIP program.

One other significant difference with the new program will be the establishment of a grant program to seek the involvement of the Egyptian universities in the research process through a program of competitively awarded grants. The university

competitive grant program, if properly organized and managed, should strengthen the relationship between the Egyptian universities, the Agricultural Research Center, and Ministry of Agriculture. This relationship had been described to the management assessment team as weak or nonexistent, and there is hope this new grant program would bring about some major changes in this relationship. The grant program should also bring new ideas and concepts to be tested by research. Perhaps even more important are the additional funds made available to the university research scientists for equipment and facilities.

The establishment of the competitive grant program, which was clearly outlined in the project paper, will require careful management by the Ministry of Agriculture with technical assistance from EMCIP. The AID Major University Linkages Project, now in effect, may provide a model for coordinating research priorities with Egyptian universities.

Finally, the delay in the approval of the expanded program has already caused some management and staff recruitment problems. The delay in the procurement of the seed processing equipment and buildings outlined in the expanded program has created a serious program problem in the production and distribution of foundation seed.

Changes required in the time frame of the expanded project should be documented in revised work plans and if approved would allow for a more orderly conduct and completion of the program.

Consideration should be given at an early date to the employment of a TDY expert experienced in the establishment of a competitive agricultural research grant program. This expert could interact with the EMCIP team and the Egyptian university officials in the development of the grant program and the identification of research priorities. He/She could assist in designing the grant conditions, selection criteria, procedure for awards, and evaluation plans.

XV. Summary of Recommendations

A. Collaborative Assistance Method and Host Country Contracts (Sec. IV.)

1. AID/Cairo should examine and clarify its relationships with the MOA and CID along the lines described in the section on AID perceptions of the collaborative assistance method.
2. EMCIP administrative organization should be designed to maximize the interaction and participation of the CID advisors and their Egyptian colleagues.
3. CID/NMSU should give greater attention to the principle that the collaborative assistance management style should be responsive to desires of the host government and that their role is to assist their Egyptian colleagues.

B. Role of Host Country and Contractor Personnel (Sec. V.)

1. The CID chief-of-party responsibilities and his authority, relative to the Director-General, should be reviewed, clarified, and revised as necessary by the MOA and CID.
2. Within the project, more authority should be delegated to subordinates. This will involve reducing the number of people reporting to any one supervisor and lessening the document approval flow.
3. A full time MOA staff, few in number but

knowledgeable and efficient, is highly desirable if the EMCIP program is to flourish after the AID project ends.

4. CID advisors should be innovative in carrying out their roles and flexible in responding to project needs and changing circumstances.

C. Communications (Sec. VI.)

1. Because EMCIP is an experimental institution building program all parties should keep in mind that its success will depend on effective and continuous communication between the principal participants.

2. Co-location of project staff should be accomplished as soon as possible to improve inter-office contact.

3. MOA and CID should establish procedures for handling important communications. Standard operating procedure for both should involve dating documents when drafted, received, and when action is taken. Internal systems should be developed to alert staff of due dates, and the need for follow-up.

4. Short term experts should be instructed by CID before departing that they will be expected to complete their report before their departure from Egypt or commit themselves to a submission date

contained in an interim pre-departure memorandum.

5. Monthly reports prepared by the MOA on EMCIP activities should be provided on a regular basis to CID.

6. EMCIP should regularly hold formal cross-functional project meetings to discuss problems and share information among EMCIP staff. In addition, an executive management group should meet more frequently, though less formally, to deal with short term managerial problems.

7. CID technicians should be teamed with a MOA team colleague upon arrival in Egypt.

8. USAID/Cairo should seek ways to coordinate and link AID agricultural and other sector programs which affect the EMCIP.

9. USAID/Cairo should clarify to the MOA and CID how AID operates and the implications of requests for AID regulation changes.

10. We urge rapid and full implementation of the recently agreed upon procedure for providing feedback to MOA from CID backstop committees.

D. Conditions Precedent (Sec. VII.)

1. Action should be taken to insure that all conditions precedent and covenants are met. It is especially important that MOA assign control of land

required at the Research Centers, in a form acceptable to AID, so that the construction program can be started.

2. The Executive Committee should be reactivated and given the broad responsibilities of policy direction and guidance along the lines envisaged by the Egyptian and AID designers of the Project.

E Planning, Reporting, Budgeting and Evaluation
(Sec. VIII.)

1. Increased effort by MOA and CID must be directed towards developing joint comprehensive work plans.

2. Quarterly reports prepared by CID with the cooperation of MOA should be related to work plans, in terms of accomplishments and plans for the future.

3. Quarterly reports in setting forth data on project financing, should be presented on both a program and a line-item basis, and reflect both obligations and disbursements.

4. The contract budget should be presented by CID in the same format as suggested for the quarterly reports and reviewed jointly on a semi-annual basis.

5. The Egyptian funded portion of the project should be incorporated as a part of the budget review and reporting processes.

6. A formal understanding should be set forth and agreed upon by the Director-General and the Chief-of-Party with respect to budget execution.

7. AID should use the semi-annual budget reviews as a means of exercising its evaluation role with respect to the project

F. Staffing (Sec. IX.)

1. Job descriptions should be reasonably detailed and indicate what qualifications are most critical for job performance. Both MOA and CID should jointly participate.

2. More than one candidate should be presented for long term CID positions, so that job skills and experience can be assessed against requirements.

3. Once selected, the long term technician should be given a commitment for the normal two-year contract period.

4. The concept of careful staff selection and staff termination should be adhered to by both the MOA and CID.

5. Any CID Chief-of-party brought on the EMCIP should have considerable managerial experience.

6. As the program expands in size and complexity there will be an increasing need for full time MOA staff.

G. Construction (Sec. X.)

1. MOA, AID and CID should carefully re-examine the procedures and conditions surrounding the original selection of Egyptian Building Systems to ascertain if the regulations of the ARE and AID will permit proceeding with the contract. If this is not possible every effort should be made to rapidly readvertise for expressions of interest in a design-construct contract. Great care should be taken in establishing the pre-qualification conditions to ensure that only well qualified and experienced firms can qualify. AID should actively assist the MOA-CID in the development of the basis for contract negotiations.

H. Procurement of Equipment and Supplies (Sec. XI.)

1. U.S. purchases of under \$ 100,000 should be exempted from the MOA-CID procurement procedure adopted July 16.
2. Approval should be given for off the shelf purchases in Egypt in accordance with AID regulations.
3. CID management in the U.S. should evaluate procurement and shipping policies and procedures of New Mexico State University to ascertain their flexibility and appropriateness for EMCIP needs.

I. Agricultural Machinery (Sec. XII.)

A management plan for EMCIP machinery should be developed by the CID Farm Mechanization Advisor and his Egyptian colleague.

J. Training (Sec. XIII.)

The work initiated by the Director-General on developing a comprehensive multi-year training program abroad should be completed. To this end, it would be useful to EMCIP to recruit a full time Egyptian Training Coordinator to advise management on training policy, opportunities and needs. Such a Coordinator would work closely with the technical teams and could be assisted, if necessary, by one or more American experts on extended or successive TDY assignments.

K. Research, Extension, Seed Production, and Expanded Program (Sec. IX.)

1. The EMCIP should encourage the rapid establishment of the forage and grain legume research program and assure the newly formed program of its importance in program funding and facilities.
2. Considerations should be given to the employment of a TDY expert experienced in the establishment of a competitive agricultural research grant program.
3. Efforts should be made to integrate the supporting scientific disciplines of entomology, pathology, and

physiology with the breeding and agronomic programs.

4. Efforts should be made to insure that incentive payments to the extension staff are equal to payments to research staff with the same qualifications and approve these payments in a prompt manner.

5. Extension staff should be afforded access and the use of the research and extension centers equipment and facilities.

6. A feedback mechanism from the district agronomist to the research leaders should be strengthened.

7. Efforts must be made to fully integrate the extension staff with the research and extension centers.

EMCIP PROPOSED CONSTRUCTION PROCEDURE
AS SUGGESTED - AID JULY 9 LETTER

The proposed procedure to be carried out by the CID (CS) and Egyptian Counterpart follows:

1. The CS, working with the Conceptual Planning documents completed March 4 shall develop necessary engineering data and basic preliminary plans and specifications as necessary to solicit competitive bids for a design-build contract.
2. It is proposed that the CS shall engage from local sources, technical assistants as needed to gather information and develop adequate documents to be used for soliciting competitive bids for design-build contract source based on lump-sum bid procedure.
3. Design-build competitive bids will be solicited in accordance with procedures established by USAID regulations and GOE.
4. After the design-build contract is awarded, the CS will continue to supervise the contractor in further development of the projects, including organizing the work and supervising construction.
5. The Director General shall appoint a full-time person, to serve as counterpart to the EMCIP Construction Supervisor.

July 16th, 1981

Best Available Document

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PURCHASING AND SHIPPING PROCEDURE STEPS
FOR EMCIP COMMODITIES

1. Lists of needed commodities are prepared in Egypt and forwarded to NMSU. Information forwarded to include:

- a) Description of item - (as much detail as possible)
- b) Suggested supplier - (if appropriate)
- c) Catalog number - (if available)
- d) Quantity
- e) Price estimate - (if known)
- f) Approval for purchase by Chief of Party

If "sole source or limited source purchase is required a written waiver signed by MOA and AID must accompany the commodity list when submitted to NMSU".

* In the case of sole source, unless a waiver is received, the purchase will be made through the normal bidding procedure. The project purchased will be exactly what was requested but the purchase of the project will be delayed.

2. Commodity list logged in at NMSU.

SPECIFICATIONS

3. CIP staff will develop written specifications and all paperwork required by NMSU Purchasing Department in preparation for the bidding process.
4. Written specifications developed in #3 is sent to Egypt for review by the American and Egyptian EMCIP staff. Any necessary changes in specifications will be made at this time.
5. Review completed.
6. Approved by Co-Directors.
7. Approved by AID.
8. Specifications sent to NMSU.
9. Received reviewed specifications at NMSU. Bid specifications along with all other necessary paperwork will be submitted to NMSU Purchasing Office.

BID DOCUMENTS

10. NMSU Purchasing Office prepares necessary bid request forms and mails out bids to their normal list of bidders for specific commodities along with those suggested by CIP.
11. Vendors analyze bid specifications and prepares a bid response. The vendor response time varies according to the degree of difficulty of complying with the bid specifications.

Bids are submitted by vendors at the specific time which has been set by the Purchasing Office. Bids are opened by the NMSU Purchasing Office and released to CIP.

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12. CIP staff will review, clarify and evaluate all bids which are submitted. A report shall be prepared and sent to Egypt for review and final selection.
13. Bids received in Egypt.
14. Review completed in Egypt.
15. Approval of Co-Directors.
16. Approval of AID.
17. The selection of a successful bidder is made in Egypt and documents sent back to NMSU. If at this stage, the lowest bid is not selected a written justification must be prepared and forwarded from Egypt to NMSU.

A prompt response is imperative, since most bid prices are only valid for 30 days. If the CIP staff receives the necessary information on the successful bidder after the 30 days period, the bidding procedure must begin again.

18. CIP staff prepares necessary paperwork and communicates results of bid to NMSU Purchasing Office who issues Purchase Order Requisitions to respective companies.
19. Commodities are delivered to NMSU.

After an accumulation of goods have been received and logged, CIP staff arranges for goods to be crated and routed out of Las Cruces.

Goods are picked up from Las Cruces and transported to Port of embarkation. Shipment of goods is often set back at least one week because of scheduled sailing of ship is delayed.

Goods are placed on board ship and documents for shipment are released. Release of documents can occur on the day the ship leaves port. Payment for shipment must be made prior to the release of documentation. Unless shipment costs are prepaid or a line of credit is used, a delay results.

Delivery of documents to Egyptian Consulate and return to freight forwarder. Documents should be counsilorized by Egyptian Consulate.

Delivery of documents for clearance of shipment in Egypt.

20. Commodities left U.S.A.
21. Commodities arrives in Egypt.
22. Commodities clears Customs.
23. Commodities received and inventory number assigned, if applicable.
24. Commodities assigned and distributed to EMCIP staff.

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