

**AIRGRAM**

**DEPARTMENT OF STATE**

**UNCLASSIFIED PD-AAA-239**

CLASSIFICATION

For each address check one ACTION INFO

TO. AID/W TOAID A 18

1977 FEB 23 PM 3 41

DATE REC'D.

0158

0157

0164

0162

0171

4p.

DATE SENT

2/18/77

DISTRIBUTION  
ACTION  
Mail  
INFO.

Room

35W

FROM - NAIROBI

E.O. 11652: N/A

SUBJECT - Project Performance Tracking System - USAID/Kenya January  
CPI Report

REFERENCE -

**A) POP Studies Center (0165)**

1. CPI Number 5 - missed (AID/W)

Event: Contract team leader arrives to assist in organization of PRSC and later to assure research and training responsibility.

Problem: Although ProAg and PIO/T were signed June 29, 1976 and sent to AID/W, RFP was not issued until October 26, 1976. Technical review of proposals completed December 17, 1976 in AID/W. To date contractor has not been selected. Reason unknown.

Assessment: If Chief of Party (contractor team leader) can arrive by mid-February, work can be speeded up to achieve most tasks Chief of Party involved in.

Action: Contract must be signed ASAP and firm early date of arrival of Chief of Party must be established.

**B) NRRD (0157) and Livestock Loan (615-T-008)**

1. CPI Number 9 - missed (GOK)

Event: Meat processing study required by Livestock Loan completed.

Problem: Contractor has requested, and been granted additional 30 days to complete study report.

|              |        |           |         |  |         |
|--------------|--------|-----------|---------|--|---------|
| DRAFTED BY   | OFFICE | PHONE NO. | DATE    | PAGE 1 OF 4  | PAGES 4 |
| NKanyua: rma | PROG   | 230       | 2-11-77 | APPROVED BY:<br>Charles J. Nelson<br>Director, USAID/K |         |

PROG: CHIPendori (draft)  
" : L Richards ( " )  
A/D: CASIGIER

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Assessment: A one month delay will not seriously affect project.

Action: None.

2. CPI Number 10 - missed (USAID-AID/W)

Event: Land capability study for high potential ranching areas underway.

Problem: Delay of Revised project paper approval.

Assessment: This will further delay effective development on 14 small ranches in areas which seriously need assistance.

Action: Recruit team of specialist from USAID to carry out study with the least possible delay. USAID drafting PIO/T.

3. CPI Number 11 - missed (USAID-AID/W)

Event: Contract signed for consultants to range management training institutions.

Problem: Delay in PP approval and resulting delays in new project components.

Assessment: Will not affect present on-going project activity but affect future training programs for Kenyan personnel.

Action: Recruit consultants with least possible delay after PP approval. USAID drafting PIO/T.

4. CPI Number 12 - missed (USAID-AID/W)

Event: ILCA to have all elements of project monitoring program started.

Problem: ILCA Recruitment of staff delayed, presently Team leader and one team member on board out of five member-team.

Assessment: Further delays in monitoring will reduce effectiveness as much baseline data for start up will not be available.

Action: Through GOK urge ILCA to increase recruitment efforts.

C) Vet. Faculty (0158) ✓

CPI Number 8, 9 and 10 - achieved.

D) Marginal/Semi-Arid Lands (0164) ✓

1. CPI Number 2 - ~~missed~~ <sup>achieved</sup> (USAID-AID/W)



Action: Efforts to hire additional field supervisors will continue.

2. CPI Number 19 - missed USAID.

Event: First crop year evaluation underway.

Problem: Evaluation not undertaken.

Assessment: Evaluation will probably commence March. Delays in generation of evaluation information will result in delays in finalizing program plans for CY 1977.

Action: Press contractor to identify and field evaluation team ASAP.

3. CPI Number 20 - missed (GOK)

Event: Agricultural inputs in place for CY 1977.

Problem: Cereals and Sugar Finance Corporation has not released funds for purchase of inputs.

Assessment: Believe funds will be released shortly. Impact on program is negligible as bulk of inputs are reported to have been moved to project areas by ~~KK~~ KIFPC and will be released to farmers immediately upon release of funds to Co-operative Bank.

Action: Will monitor progress of fund release and if release not made by February 7, will take up this issue with appropriate GOK officials.

4. CPI Number ~~XX~~ 21 - missed - USAID.

Event: Baseline survey II commences.

Problem: Baseline survey ~~E~~ II not initiated.

Assessment: Mission has not yet received and evaluated result of Baseline I. Project planning and evaluation will be delayed and quality may be impaired by lack of baseline information.

Action: Baseline I scheduled to be delivered within next ten days. Upon receipt, will discuss with contractor and determine when it most appropriate to undertake Baseline II.

MARSHALL

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PD-AAA-239

JUN 23 5 34 PM '76 JUN 28 1976

EXECUTIVE SECRETARIAT

ACTION MEMORANDUM FOR THE ADMINISTRATOR

THRU : ES

AA/PPC, Philip Birnbaum

FROM : AA/AFR, Stanley S. Scott

SUBJECT: Kenya Rural Planning Project (615-11-190-162)

Problem: USAID/Kenya has submitted the attached Project Paper (PP) for the Kenya Rural Planning Project. Your approval for this project and authorization to process an appropriate Section 113 Notification is required.

Discussion: The purposes of this project are (1) to improve the institutional capabilities of the Ministry of Agriculture (MOA) for more effective agricultural policy and strategy formulation and project preparation, implementation and monitoring and (2) to assist the Ministry of Finance and Planning (MOFP) in the design and implementation of a decentralized participatory rural planning program supportive of the Ministry of Agriculture's planning and implementation efforts.

This project will finance two separate technical assistance efforts. The first, carried out by the Harvard Institute for International Development under a multi-laterally funded Government of Kenya contract to which AID will be contributing, will provide through December 31, 1980 approximately forty-four years of long-term advisory services, fifteen years equivalent of foreign training and thirty-six months of short-term expert advisory assistance to upgrade the skills of planners and managers in the Ministry of Agriculture. The second contract, bilaterally funded, will provide through December 31, 1980 twelve years of long-term advisory services, the equivalent of eight years of long- and short-term participant training, and thirty-two months of short-term expert advisory services to upgrade the skills of appropriate personnel in the Ministry of Finance and Planning's Rural Planning Unit and associated field staff.

Technical advisors under both contracts will concentrate on developing policies, systems and procedures for agricultural and rural development planning, implementation and monitoring. In the MOA they will also involve themselves directly in the conduct of these functions. The major task of all technical assistance personnel, however, will be institutional development, particularly by means of on-the-job training of Kenyan counterparts, to ensure that the desired institutional capabilities -- as manifested by trained personnel and established policies, organizational arrangements, systems and procedures -- are developed and in place.

This project was included in the FY 1976 Congressional Presentation as the Kenya "Agriculture Planning" project with an estimated cost of \$1.034 million. As a result of the AID/W review of the Project Review Paper, the scope of the project was significantly expanded to provide assistance not only to the Ministry of Agriculture (MOA) but to the Ministry of Finance and Planning (MOFP) as well. It was felt by AID/W that the provision of additional assistance to the MOFP for the development of a more effective approach to the decentralized participation of the rural poor in the planning and implementation of development projects would better serve the Government in addressing both its production and equity concerns. Consequently, the title of this project was changed to "Rural Planning" and the project cost revised upwards to \$2.148 million. A TQ Section 113 Notification will be required to reflect these changes and the additional \$87,000 required for the initial obligation. Until this notification is approved, only the component originally discussed in the FY 76 CP is being authorized for obligation in FY 76 at the original FY 76 CP level of \$265,000. Funds for the MOFP portion will be obligated after approval of the necessary Section 113 Congressional Notification.

Because of the necessity to provide assistance to the Ministry of Agriculture as rapidly as possible, the Government has already selected the Harvard Institute for International Development (HIID), a U.S. contractor, to implement this component. The Government procedures which will be utilized for contracting purposes are considered reasonably consistent with those outlined in AID Handbook 11. Donors have untied their contributions to the multilateral pool of funds but are requesting the GOK to use its "best efforts" to obtain qualified advisory personnel from their countries in proportion to their contributions. It is proposed that AID similarly untie its contribution. AID is in a favorable position under this arrangement since the prime contract is with a U.S. institution, HIID.

Since the Project Paper was originally submitted, the Mission has requested that the contract services for the Ministry of Finance and Planning also be provided by the Harvard Institute for International Development. We believe that a strong justification exists for this proposal and plan to submit an appropriate proprietary procurement justification at the expiration of the Section 113 statutory waiting period.

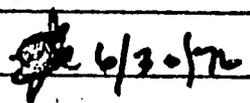
Recommendation: That you approve this Project Paper by signing the attached Project Authorization and approval cable to the field.

Approve \_\_\_\_\_



Disapprove \_\_\_\_\_

Date \_\_\_\_\_



- Attachments: A. Project Authorization  
B. Project Paper  
C. Approval Cable to the Field

*gw*  
AFR/ESA: *EW* ~~Blarwitz~~/AFR/DR: JWooten: pet: 6/24/76

Clearance: AA/AFR: HNorth *H*  
AFR/DR: PLyman (draft)  
AFR/DP: RHuesmann (draft)  
AFR/GC: TBork (draft) *B*  
PPC/DPRE: HSharlach (draft) *S*  
AFR/ESA: OCylke (draft)  
GC: CGladson *W. J. W.*



PD-AAA-239  
UNITED STATES OF AMERICA  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
U.S.A.I.D. MISSION TO KENYA

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APJ  
3p.

6150162

Office of the Director,  
P. O. Box 30261,  
Nairobi, Kenya.

September 11, 1978

Mr. L. O. Kibinge  
Permanent Secretary  
Ministry of Finance and Planning  
P. O. Box 30007  
Nairobi

Dear Sir:

Re: Rural Planning Project  
Grant No. 162-1-804  
Implementation Letter No. 7

This will respond to Mr. Mule's letter of July 15, 1978 (EPD/SD 11/01) concerning satisfaction of conditions precedent to disbursement of the subject Grant funds. Our delayed response is due to the fact that the Ministry of Agriculture component of this Project has recently been under external evaluation and that - as will be seen below - the results of that evaluation have direct relevance to the conditions precedent.

First, permit me to address the requirement of Section 3.1(a), namely, that Government submit to us "evidence that appropriate arrangements exist" between Government and the other project donors providing for contributions by those donors totalling at least \$2,295,000. While we have every confidence in Government's certification, contained in the referenced letter, that these commitments have been made, AID procedure does require that we have for our review and files copies of documents on which Government's certification is based. Similar documents, it will be recalled, have been submitted to us in connection with earlier Grant Agreements relative to this Project. Therefore, we will appreciate your forwarding to us copies of the relevant commitment documents from other donors, following our receipt of which we look forward to prompt satisfaction of this condition precedent.

Concerning the remaining conditions precedent of the Grant Agreement, the external evaluation of the Harvard "pool" arrangement, transmitted to us by the Ministry of Agriculture's letter of August 4, 1978, bears on several of these. The AID position as to these other conditions precedent is as follows:

Section 3.1(b) calls for a status report as to the proposed assignment of counterparts for each long-term Harvard advisor. We note from the July 15 letter that counterparts are now in place for most Harvard advisors, but not for those assigned to the Management Systems Evaluation Unit (MSEU). As discussed below, we believe we need more information as to Government's planning to staff the MSEU with Kenyans, as counterparts in the first instance and later on an exclusive basis. We request therefore that Government furnish us such information so that we may consider this condition precedent further. Also, while not required as a condition precedent, we would suggest that Government give careful attention to the discussion commencing on Page 38 of the evaluation report which points out that, as to the Ministry of Agriculture at least, qualitatively significant improvement could be made in counterpart arrangements. It is our understanding that the United Nations Development Programme will, on behalf of donors, be raising this matter with Government in the near future.

Section 3.1(c) asks for a report on certain planned institutional modifications. As to the Management Systems Evaluation Unit, the Grant Agreement of June 30, 1976 (by reference to the document, "Development and Management Planning in Agriculture") called for a unit to be staffed by four Kenyans, together with Harvard advisors. The July 15 letter advised that this unit "is in operation and Drs. Thomas and Harmon are assigned to it". The evaluation report states, however, that "the establishment of such a unit, staffed by Kenyans, within the Office of the Permanent Secretary is not presently contemplated" (p.14) and that "none of the four Kenyans projected to be are in post, nor apparently are they ever intended to be" (p.41). Planning for Kenyan staffing of the MSEU was a matter of special importance to AID in our original planning for this Project and we frankly must call upon Government to clarify this situation and Government's longer-term intentions with regard to the MSEU. Only after receipt and consideration of this clarification can this condition precedent, as it relates to the MSEU, be further considered. Section 3.1(c) is considered satisfied, however, with respect to all other institutional modifications addressed, by the July 15 letter.

Section 3.1(d) called for a report on the program's participant training program. This is accepted for purposes of satisfying this condition precedent. However, once again, the evaluation report (commencing on page 45) contains useful discussion and recommendations on which we look forward to a UNDP-initiated discussion with Government.

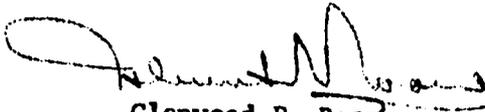
Section 3.1(e) asks for a statement as to the continued validity of the Rural Planning Unit Work Plans. This statement is satisfactory and meets condition precedent requirements.

Mr. L. O. Kibinge

-3-

We will look forward to receiving the additional information and documentation identified above and, thereafter, to prompt satisfaction of those CPs still outstanding, namely, Sections 3.1(a), 3.1(b) and 3.1(c) as this last relates to the MSEU. Please contact us should there be any questions concerning these matters.

Sincerely,



Glenwood P. Roane

cc: Mr. S. D. Gathiuni, PS/MOA  
Mr. Harris Mule, DPS/MOFF

6150162 - ⑥

PD-AAA - 239

A.I.D. Project No.: 615-0162

Agreement No.: 162-1-804

6p.

Amendment Number 2

to the

PROJECT AGREEMENT

between the

REPUBLIC OF KENYA

and the

UNITED STATES OF AMERICA

for the

RURAL PLANNING PROJECT

Appropriation No.: 72-1181021.3

Allotment No.: 043-50-615-00-69-01

Dated: December 28, 1979

This Project Agreement Amendment dated December 28 1979, between the REPUBLIC OF KENYA ("Grantee") and the UNITED STATES OF AMERICA, acting through the AGENCY FOR INTERNATIONAL DEVELOPMENT ("A.I.D."), provides as follows:

ARTICLE I

SECTION 1.1. The Project

It is agreed that Annex A to Grant Agreement No. A.I.D. 615-138-T-0162, dated June 30, 1976 (attached), constitutes an accurate general description of the project (including its objectives and targets) for which this Project Agreement Amendment provides partial financing.

ARTICLE II

SECTION 2.1. The Grant

In accordance with the terms and conditions of Grant Agreement No. A.I.D. 162-1-804, dated April 26, 1978, A.I.D. agrees to grant to the Grantee Three Hundred Eighty-Seven Thousand United States Dollars (\$387,000). With this obligation, the total Grant funds obligated and available to assist in financing the project are now Two Million, Six Hundred Forty-Eight Thousand United States Dollars (\$2,648,000). This constitutes the final obligation of funds to this Project.

SECTION 2.2. Purpose and Utilization

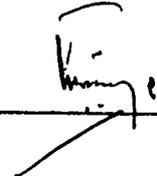
The funds obligated herein will be allocated toward funding (a) A.I.D.'s share of the multi-donor financed contract dated June 30, 1976, between the Harvard Institute for International Development and the Ministry of Agriculture, not to exceed One Million Three Hundred Eighty-Three Thousand United States Dollars (\$1,383,000), and (b) the contract dated April 1, 1977, between the Harvard Institute for International Development and the Ministry of Economic Planning and Development, not to exceed One Million Two Hundred Sixty-Five Thousand United States Dollars (\$1,265,000). Total life of project funding is not to exceed Two Million, Six Hundred Forty-Eight Thousand United States Dollars (\$2,648,000).

ARTICLE III

The terms and conditions of the related Grant Agreements of June 30, 1976; August 31, 1976; June 30, 1977; and April 26, 1978; and of the Grant Agreement Amendments of December 30, 1976; and December 28, 1978, remain in full force and effect.

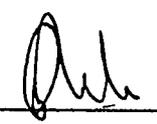
IN WITNESS WHEREOF, the REPUBLIC OF KENYA and the UNITED STATES OF AMERICA, each acting through its duly authorized representatives, have caused this Project Agreement Amendment to be signed and delivered as of this 28 day of December, 1979.

REPUBLIC OF KENYA

By:  \_\_\_\_\_

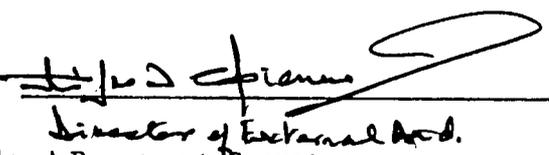
Date: 27/12/79.

Title: Permanent Secretary  
Ministry of Agriculture

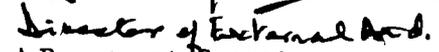
By:  \_\_\_\_\_

Date: 24/1/79.

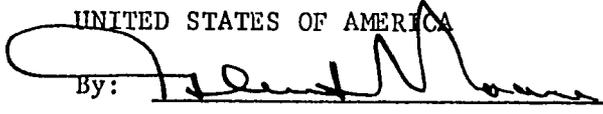
Title: Permanent Secretary, Ministry of  
Economic Planning & Development

By:  \_\_\_\_\_

Date: 28/11/79

Title:   
Permanent Secretary  
Ministry of Finance

UNITED STATES OF AMERICA

By:  \_\_\_\_\_

Date: Dec. 28, 1979

Title: Director, USAID/Kenya

PROJECT DESCRIPTION

The purpose of this Project is to improve institutional capabilities within the Ministry of Agriculture (MOA) for agricultural policy and strategy formulation, project preparation and implementation monitoring; and within the Ministry of Finance and Planning (MOFP)\* to plan and implement a system of decentralized, participatory rural planning units supportive of the MOA's planning and implementation efforts.

Technical advisory services under the MOA portion of the Project will be provided to the Ministry's Development Planning Division and Management Systems Evaluation Unit through a contract between the Grantee and the Harvard Institute for International Development (HIID). The contract services will be funded by a multinational financial pool whose membership consists of: Canada, Germany, the Netherlands, Sweden, UNDP and A.I.D. The Contractor will provide over the projected four and one-half year life of the Project approximately forty-four (44) years of advisory services. The exact number of years of services, as well as the timing of the services, may be the subject of periodic revisions as a result of frequent Grantee/donor evaluations of progress towards achieving project goals. The Grantee will provide at least one counterpart to work with each HIID advisor, and the HIID Contract will allow for approximately fifteen (15) years of foreign training in conjunction with the technical assistance. Short-term consultancies of approximately thirty-six months will also be provided by the HIID Contract.

Specifically, the technical assistance provided by HIID will include assistance to the MOA to enable it to increase its capability to:

- (1) formulate and revise agricultural development strategy,
- (2) undertake commodity analysis and policy planning,
- (3) evaluate and monitor agricultural projects, and
- (4) design and appraise its own management systems.

Technical services for the MOFP\* (RPU) portion of the Project, to be exclusively financed by A.I.D., contemplate a Grantee contract with a U.S. consulting firm or university. Three long-term advisors, each to serve four (4) years, are currently planned for the MOFP. These advisors will be assigned to the RPU, will be assigned counterparts, and will spend much of their time with these counterparts and other members of the MOFP's planning personnel. Among the services to be performed by the advisors will be the following:

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\* As of November, 1979, the Ministry of Economic Planning and Development (MEPD)

- (1) provide guidance and advice on, and participate in preparation of, the next five-year Kenya Development Plan;
- (2) provide economic advice to the head of the RFU;
- (3) analyze and make recommendations with regard to current training needs and available programs for officials engaged in district development and decentralized planning;
- (4) analyze and make recommendations with regard to improvements in the system for gathering and transmitting information for rural planning and implementation;
- (5) develop guidelines for project selection and preparation at the District level; and
- (6) develop detailed project inventory matrices showing how local development activities and those of central ministries are integrated at the District level.

In carrying out these and other responsibilities it is expected that the advisors will work closely with the various Provincial Planning Offices to prepare these offices to provide improved advisory and training services to District Development Offices.