

5120308 (6)

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FD-AAA-345-P1  
AID 1020-25 (10-70)

REPORT U-446

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PROJECT APPRAISAL REPORT (PAR)

1. PROJECT NO. 512-L-084	2. PAR FOR PERIOD: Jan. 1975 TO Jan. 1976	3. COUNTRY BRAZIL	4. PAR SERIAL NO. 76-4 4p.
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NE AGRICULTURAL MARKETING LOAN (Technical Assistance)

6. PROJECT DURATION: Began FY 1973 Ends FY 1977	7. DATE LATEST PROP N/A	8. DATE LATEST PIP N/A	9. DATE PRIOR PAR 6/20/75
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10. U.S. FUNDING	a. Cumulative Obligation Thru Prior FY: \$ --	b. Current FY Estimated Budget: \$ --	c. Estimated Budget to completion <del>1,000,000</del> \$ 1,000,000
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11. KEY ACTION AGENTS (Contractor, Participating Agency or Voluntary Agency)

a. NAME	b. CONTRACT, PASA OR VOL. AG. NO.
Personal Service Contracts	Host Gov't Contracts
U.S. Dept. of Agriculture	AG/BR-308-25-74

I. NEW ACTIONS PROPOSED AND REQUESTED AS A RESULT OF THIS EVALUATION

A. ACTION (X)			B. LIST OF ACTIONS	C. PROPOSED ACTION COMPLETION DATE
USAID	AID/W	HOST		
		X	1. Submit to USAID an implementation plan for 1976 containing the plans, targets and schedules discussed during the joint annual review meeting held in December 1975.	Completed (February 1976)
X		X	2. Review the USDA/PASA PIO/T to be sure that it reflects reasonable cost estimates and includes the services desired and utilizable by COBAL within the Loan time frame.	Completed (4/9/76)
X		X	3. Ensure that all feasible financial commitments are made against loan funds before the TCD.	June 31, 1976
X		X	4. Develop an expanded Scope-of-work for the evaluation which COBAL wants to carry out during the last quarter of loan operations.	July 15, 1976

D. REPLANNING REQUIRELS						E. DATE OF MISSION REVIEW	
REVISED OR NEW:	<input type="checkbox"/> PROP	<input type="checkbox"/> PIP	<input type="checkbox"/> PRO AG	<input type="checkbox"/> PIO/T	<input type="checkbox"/> PIO/C	<input type="checkbox"/> PIO/P	March 9, 1976
PROJECT MANAGER: TYPED NAME, SIGNED INITIALS AND DATE				MISSION DIRECTOR: TYPED NAME, SIGNED INITIALS AND DATE			
PROG: FRCampbell				AID/R: WFGelabert			

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**II. PERFORMANCE OF KEY INPUTS AND ACTION AGENTS**

A. INPUT OR ACTION AGENT CONTRACTOR, PARTICIPATING AGENCY OR VOLUNTARY AGENCY	B. PERFORMANCE AGAINST PLAN							C. IMPORTANCE FOR ACHIEVING PROJECT PURPOSE (X)				
	UNSATISFACTORY		SATISFACTORY			OUT-STANDING		LOW		MEDIUM		HIGH
	1	2	3	4	5	6	7	1	2	3	4	5
1. Joseph Weiss, PSC				X						X		
2. Carlos Arecco, PSC							X				X	
3. USDA/PASA					X						X	

Comment on key factors determining rating At COBAL initiative, the Weiss contract was extended from June 1975 to December 1975; his work has satisfied COBAL's needs. Arecco has been working in a key area of COBAL interest and has responded well and integrated himself effectively into COBAL operations; he does not have a counterpart which COBAL will need at Loan termination and which Arecco himself clearly sees the need for. The USDA/PASA has provided well-qualified consultants, but has often let communications about them go to the last minute; moreover, USDA's billings against the Loan have been delayed and are often unclear as to what is being charged against the Loan.

4. PARTICIPANT TRAINING					X								X
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Comment on key factors determining rating The in-country training program has been well-planned and generally well-carried out. It has covered all the principal aspects of the marketing loan program, including personnel of agencies not connected with COBAL (e.g. 70 technicians from the various State extension services). Greater use could have been made of U.S. training and, indeed, COBAL plans that 4 technicians should travel to the U.S. in CY 1976 for training in Market Info. and Grades and Standards.

5. COMMODITIES			X									X	
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Comment on key factors determining rating COBAL has planned its commodities requirements well, but has delayed in submitting commitment documents to USAID and has yet to submit a reimbursement request even though we know that some of the equipment has been purchased.

6. COOPERATING COUNTRY	a. PERSONNEL				X								X
	b. OTHER Management				X								X

Comment on key factors determining rating

Relationships with COBAL personnel are good at all levels. Despite this, we have problems holding COBAL to deadlines or getting them to submit Loan documentation or reimbursement requests in a timely fashion.

7 OTHER DONORS	FAO				X							X		
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(See Next Page for Comments on Other Donors)

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II. 7. Continued: Comment on key factors determining rating of Other Donors

FAO has one technician working in wholesale marketing operations. He is well integrated with the COBAL staff and cooperates with the one remaining AID-funded technician. Because of UNDP/FAO funding problems, it is uncertain whether the FAO technician will be able to remain as long as COBAL would like to have him.

### III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					
		CUMULATIVE PRIOR FY	CURRENT FY		CY 76 XXXX	FY ____	END OF PROJECT
			TO DATE	TO END			
Market administration capacity developed through training of market managers/high level administrators. (N.B.: NS= Not specified).	PLANNED	16/39		54/44	NS	NS	NS
	ACTUAL PERFORMANCE	16/39	54/44				
	REPLANNED			--	37/66		107/149
Wholesale markets operating in the North-Northeast (including Recife).	PLANNED	7	--	8	9		9
	ACTUAL PERFORMANCE	6	7				
	REPLANNED			7	10		10
Rural shipping point facilities open and operating.	PLANNED	--	--	--	--		9
	ACTUAL PERFORMANCE	0	1				
	REPLANNED			6	8		8
	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						
B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS		COMMENT: The Market Info. system has been developed, but not fully implemented. Several factors have caused delays: a) 3 wholesale markets and 8 rural markets are yet to be constructed; b) frequencies have to be assigned for the SSB and VHF radios by another Ministry; c) financing for the rural market program is still being studied.					
1.	Market news system consolidated and extended to major cities & collection centers.	COMMENT: Grades and Standards Manuals for tomatoes, green peppers, carrots, eggplants and oranges are being printed. One technician is scheduled for training in the U.S. in 1976. Studies are underway for standardization of bananas, potatoes and onions.					
2.	Develop and implement adequate grades and standards programs.						
3.	Market capacity being utilized.	COMMENT: Occupation rates vary from 60% in Ceara to 91% in Para. Most show an increase of occupancy in 1975 over 1974. COBAL realizes that there is a need to improve these rates, however. The volume of produce being processed through each market is being increased absolutely. COBAL estimates that 7.3 million people benefited from N/NE market operations in 1975.					

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IV. PROJECT PURPOSE

A. 1. Statement of purpose as currently envisaged.

2. Same as in ~~PAR~~  YES  NO

Loan Agreement

Increase the operating efficiency of the marketing system being constructed in the North and Northeast areas of Brazil (construction is being financed in part by AID Loan 512-L-083).

B. 1. Conditions which will exist when above purpose is achieved.	2. Evidence to date of progress toward these conditions.
1. N/NE Wholesale markets fully operational under uniformly established marketing policies.	1. Wholesale markets have been inaugurated in Manaus, Belém, Fortaleza, João Pessoa, Aracaju, and Salvador. Additional markets in São Luis, Teresina and Natal are initiating construction. All of these markets, plus those in Recife and Maceió (which are not included in the Loan 083 construction program), are being managed by COBAL trained managers; marketing and financial operations are controlled through a central COBAL department.
2. Consumption demand being met through increased availability of produce due to improved efficiency of marketing channels and reduced spoilage.	2. The markets in operation in 1974 showed an increase of 47,251 MT (12%) in 1975. New markets added an additional 118,919 MT of produce marketed for a total increase of 42% for the COBAL system. An evaluation of marketing effectiveness was carried out in December 1975 by a USDA/PASA, but the report has not been received yet.
3. Interlinkages of rural and urban market services.	3. Planning was completed for four Rural Assembly Markets (in Bahia, Sergipe, Pernambuco and Ceará) and four additional ones are being designed. In addition to the 15 extension agents mentioned in the last PAR, 25 were trained in 1975.

V. PROGRAMMING GOAL

A. Statement of Programming Goal

1. To accelerate progress in agricultural modernization, to raise the level of living and the participation in development of the large majority of the population living at below the poverty line.
2. To expand Brazil's regional effort to enable the Northeast to narrow and gradually ~~overcome its serious development gap.~~ (Ref. CAP. P. 20, par. 3).

9. Will the achievement of the project purpose make a significant contribution to the programming goal, given the magnitude of the national problem? Cite evidence. **Yes.**

There are several AID loans which help contribute to this goal, including the companion marketing Loan 512-L-083, the Rural Roads Loan (082), the Ag. Research Loan (077) and Higher Ag. Education (090). While these loan projects stimulated interest initially, the annual loan disbursements amount to about only one-third of the GOB effort in this sector (and even less if the new directions in the extension service are taken into account). Moreover, the floods of 1975 and the drought existing at present seem not to have disrupted the market terribly.