

PD-AAA-355-A1

alt 5/20-21-110-321-  
4/79 512-L-090<sup>5201</sup>

USAID/BRAZIL

5/20321(3)<sup>1/2</sup>

ANNUAL STATUS REVIEW OF CAPITAL LOANS

1. Loan no. 512-L-090 - HIGHER AGRICULTURAL EDUCATION

Date of Review - May 12, 13, 15, 1975

2. Basis for Review and Period Covered

Correspondence, semi-annual reports from Borrower, Contractor's Reports, USAID visitation and discussions with Central Administrative and Planning Unit (CAPU) of Department of University Affairs (DAU) of Ministry of Education and Culture (MEC). Period covered - 1/30/74 to 3/31/75, with progress updating to 6/30/75.

3. Date Loan Signed - January 30, 1974

4. Conditions Precedent to:

a) First Disbursement - met on May 30, 1974

b) Subsequent Disbursements - met on September 30, 1974

5. Implementation Letters Issued

Implementation Letter No. 1 issued on March 29, 1974, through Implementation Letter No. 8, issued on December 10, 1974.

6. Loan Utilization as of:      March 31, 1975                      June 30, 1975

a). Per cent loan funds committed*	US\$ 1,120,131 (14%)	US\$ 1,120,131 (14%)
b) Per cent loan funds disbursed	US\$ 9,953	US\$ 173,219 (2%)

7. Field Visits and Audits

a) Last Field Visit - N.A. - work has centered on the Central Administrative and Planning Unit. Staff visits to the Central Unit have been frequent, with practically daily contacts.

b) Next visit planned - USAID staff will visit selected participating graduate centers and undergraduate schools - July 1-22. Frequent visits to CAPU will continue.

\* According to the terms of the Borrower/Michigan State University Contract, the total amount anticipated is the \$7.6 million provided under the loan, reduced by \$11,000 committed under PIO/T 30471. Budgets will be approved on an annual basis, according to program requirements and funds committed to the contract accordingly.

- c) Last USAID audit: No. 1-512-75-81, covered period  
1/30/74 to 2/28/75.
- d) Next audit scheduled: none scheduled.

8. Physical Progress

- a) Scheduled completion - June 30, 1978
- b) Percent of Physical Completion

Although percentage figures are unrepresentative of actual work accomplished to date they are submitted below. A brief resume of some of the major accomplishments follows:

CAFU has been established, staffed, and is already influencing the overall functioning of DAU and the universities; conditions precedent have been met, including an overall plan for graduate education in agriculture, an operational plan for the program, a planning manual developed and applied by 12 universities in developing their plans; plans have been submitted by the universities, evaluated by UCAP, revised, and funding allocations have been made; staff increases are authorized and being made; the training program developed and in initial implementation, a detailed library development plan is being developed; an inter-university assistance program is in operation. A contract has been signed between DAU and Michigan State University for supplying technical assistance, training placement and support and procurement of library materials.

Short-term consultant assistance has been supplied and the first long-term technicians have been nominated and approved.

	<u>to 3/31/75</u>	<u>to 6/30/75</u>
a) Training in U.S.	1%	3%
b) Technical assistance	7.25 m.m. (.5%)	12 m.m. (1%)
c) Procurement*	0%	0%
d) Percent of project time elapsed -	24%	32%

\* A study of library needs, which will form the basis for procurement, is near completion. All procurement will consist of library materials.

- e) Other: contract between DAU and MSU signed on 11/22/74, to cover technical assistance, training and procurement of library materials. Agreements between DAU and the graduate centers and undergraduate institutions signed on 3/14/75 for Brazilian financed elements of the first year of the program.

9. Current Cost Estimate of the Program - (9/30/74)

	(In \$000) U.S. Dollars	(In US\$000) Local Currency Equivalent
Central Level		
Technical assistance	1,822	512
CAPU: personnel, materials, travel, etc.		1,051
MSU overhead	628	
Total Central Level	2,450	1,563
Graduate Centers		
Technical assistance	2,329	711
Training U.S.	2,581	760
Training Brazil		252
Teaching staff		3,517
Other: books, equipment, materials	400	527
Total Graduate Centers	5,310	5,707
Undergraduate Schools		
Technical assistance		400
Training Brazil		858

	(in \$000) <u>U.S. Dollars</u>	<sup>4</sup> (in \$000) <u>Local Currency Equivalent</u>
Teaching Staff		2.324
Other - materials, equipment, etc.		1.039
Total		4.621
Grand Total	7.760	11.887
	(to be reduced to 7.6 as plans are revised)	(to be reduced to 8.0 as plans are revised)

10. Current Financial Plan Source

AID	7,600,000.	-
Borrower		8,000,000.
Other	-	-
Total, all sources	7,600,000.	8,000,000.

11. Covenants

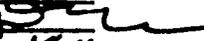
Borrower is complying with all covenants.

12. Action Required

Revision of Implementation Plans and Financial Plan, based on experience to 1/30/76. Increased number of participant departures to U.S. and number of U.S. technicians as long-term consultants. Universities revise existing plans on basis of experience. CAPU and MSU are cognizant of these needs.

There are no outstanding audit recommendations to be resolved.

  
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 AJD/e.

Clearances: HRO:AJRavelli   
 CDO:DMackell   
 CONT:JDavison   
 AD/AID:WGelabert 