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USAID/BRAZIL

LOAN COMPLETION REVIEW AND REPORT

(Per M.O. 1264.1, Section IV)

Loan No: 512-L-090, Higher Agricultural Report

Date: February 20, 1979

Borrower: Federative Republic of Brazil

Date Loan Authorized: June 29, 1973

Date Loan Agreement: January 30, 1974

Final Date for Commitment: December 31, 1977

Final Date for Disbursement: Original - June 30, 1978
Revised - August 31, 1978 (*)

Amount of Loan: Original - \$7,600,000.00
Revised - \$6,844,912.76

Disbursement Status: \$6,844,912.76 disbursed

* Although the terminology was not changed in the loan documentation, the TED was really the completion date for services. An additional period (to November 30, 1978) was allowed for presentation of final claims for payment.

I. Purpose of Loan

To develop and implement a system for improving the planning, management and coordination of programs in graduate education in general and expanding and improving graduate education programs in agriculture in particular.

II. Covenants

Borrower has complied with all covenants (Note: Section 5.06 requires that "whenever feasible" training and research be related to studies of income distribution. Most of the loan-funded participants are still in training in the U.S. and therefore have not yet completed their theses; moreover, most

participants are studying plant or animal sciences. Under the circumstances, it appears that income distribution studies were not feasible).

III. Reports

All reporting requirements as set forth in the Loan Agreement and Implementation Letters have been complied with.

IV. Monitoring

No further monitoring is required.

V. Recommended Actions

None.

VI. Appraisal

There were delays in implementation at the beginning of the loan which were caused by a change of Federal Government administration shortly after the loan was signed. This led to changes in the Ministry of Education and consequent delays in establishing the Central Evaluation and Planning Unit (UCAP) which was to be the office in charge of implementing the Loan. Another consequence was that a contract with Michigan State University for technical assistance and training was not signed until November 1974; by the time contractor personnel arrived, there were less than three years left for implementation - a relatively short period for a project of this type.

Despite the foregoing, the project purpose can be said to have been achieved even though the benefits will not be able to be measured for many years. As the following table shows, most of the quantitative project inputs were reached;

Comparison of Project Inputs

(Loan Agreement Project Description Annex vs Those Achieved)

Item	Loan Agreement	Achieved
Long & Short Term Tech. Assist.	672 m/m	609.5
Training in U.S.: PhD	90	110
" : MS	30	24
" : Short Courses	32	69
Teaching & Library Materials	\$400,000	\$867,361
Training in Brazil: PhD	12	28
" : MS	30	198
New Staff Added to Universities	MS-74	PhD-32 MS-78

Under the circumstances of the shortened implementation period, the table reflects a considerable achievement. It should be noted, however, that: a) much of the loan-financed technical assistance was compacted into the last half of the loan implementation period, forcing some of it into secondary priority areas and reducing the intended long-term technical assistance into intermediate assistance (2 - 2 1/2 years); b) most of the long-term training in the U.S. was not completed at the Loan TDD and the GOB, through another organ of the Ministry of Education, had to commit itself to financing the completion of training of the participants who started with AID financing.

AID's intransigence about considering an extension of the loan- which would have made implementation smoother and allowed more of the inputs to go into the primary priority areas - has to be considered in the context of the time such decisions were made. This was one of the last loans USAID/B was allowed to negotiate and it was authorized when USAID was already ordered to prepare a phase-out plan; there were, therefore, certain constraints on the length of the implementation period which had nothing to do with the loan itself or its purpose. On the other hand, the foreshortened implementation period forced UCAP to devise a way to finance the continuation of long-term participant training which can now be utilized to continue the expansion of the graduate agricultural program even though the loan has terminated.

Our conclusion is that there now exists a system - and a desire - for the expansion of higher agricultural education. As only the inputs are measurable at this time, we can not even say that the system is a good one but it does seem basically sound and is likely to respond to a number of Brazil's priorities in the agricultural sector for at least the intermediate term.

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