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75.

PROJECT PAPER
for
FISHERIES COOPERATIVE EXPANSION

Zaire
November 1975

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B. RECOMMENDATIONS

- <u>Grant</u>	<u>\$ 400,000</u>
Total New AID Obligations	\$ 400,000

C. DESCRIPTION OF PROJECT

This project is an incremental step in addressing the DAP overall agricultural sector goal of helping Zaire become self-sufficient in basic foodstuffs. This project is designed to increase the availability and improve the quality of fish caught and sold in eastern Zaire, while simultaneously providing more rural employment opportunities in that area.

Although not among the least developed countries, the FAO has noted that Zaire has approximately the same low personal consumption levels as Burundi and Tanzania, i.e., \$55 annually. Per capita consumption of fish is low (9.9 kg.) and, of this, almost one-third has to be met by imports.

	<u>Zaire Fish Commodity Balance - 1971</u>				
	(000 tons liveweight)			Total	Per
	<u>Production</u>	<u>Imports</u>	<u>Exports</u>	<u>Supply</u>	<u>Capita</u>
					<u>Supply</u>
Fish for Human Consumption	145.8	66.8	-	212.6	9.9
Fish for Feed, etc.	-	1.5	-	1.5	-

The gross value of domestic fisheries output (ex-vessel) is about equal to the value of imports--\$16 million each.

Zairian demand for fish is projected to rise by nearly 50 percent over the next five years. It is estimated that a threefold expansion of the inland waters catch (90 percent of the national catch) is feasible. Potentially, Lake Tanganyika is a significant source of production. Its sustainable yield is estimated to equal total current annual national production (140,000 tons), whereas the Lake's present production is only 10 percent of this potential.

The project target area is located along the most northern part of Lake Tanganyika, encompassing the Uvira and Fizi zones. Approximately 250,000 people live in this area spanning 150 kilometers from the Ruizizi Plain south along Lake Tanganyika to Fizi. The population is predominantly poor, rural, malnourished and living at a near subsistence level in what is one of the most densely populated rural areas of Zaire.

An important source of protein and income for the target population is the fish catch from the Lake. In the early 1970s, the annual fish catch in the target area (Uvira and Fizi zones) totaled 10,000 tons. Fishing practices include traditional techniques (using single pirogues or dugouts), artisanal methods (catamarans and trimarans) and industrial operations (purse seiners). The fleet in this region consisted of eight purse-seining units, 120 catamarans and trimarans and about 1,500 pirogues. In 1974, the purse-seining units (Greek owned) were taken over by the GOZ, but have been inactive since then. As a consequence, the present-day annual fish catch in the target area is some 7,000 tons, down a third from the pre-1974 catch. Without the purse seiners, the only organized fishing being done in the area is by a fishing cooperative headquartered in Uvira (the administrative and economic center of the Uvira zone), but organized geographically with units located down to Fizi. This co-op, Cooperative des Pecheurs du Lac Tanganyika au Zaire (COPELAZ), was formed in March 1973 as an attempt to revitalize two fishing cooperatives which existed in the same region between 1951 and 1960, but which had been disrupted by the post-independence civil disturbances. It was founded with some technical and financial assistance from the sole union organization in Zaire, Union Nationale des Travailleurs du Zaire (UNTZA). Starting with 30 members, it has grown to a present membership of 223. COPELAZ's fleet consists of 130 trimarans and almost 250 pirogues, catching annually 5,500 tons of fish, or almost 80 percent of the regional fish catch.

Although COPELAZ is successfully catching, processing and marketing fish, it has peaked out at a very low level of productivity relative to reasonable expectations of its potential. The vessels for catching the fish have reasonably good hulls, but equipment is old, outmoded or not the most efficient available. While trimarans can generate 85 percent more income and a ninefold increase in employment over pirogues, the co-op cannot generate sufficient income to mount the simple program needed to convert the fleet. In addition, fishing range is limited by the lack of out-board motors or the lack of maintenance facilities and parts for those few members who own motors. The processing of fish which is not sold fresh is by sun drying on an open beach. Substantial losses are experienced from pests and quality is low. The co-op does not have the expertise or resources to market its catch at the retail level, and the market price of the members' catch may double in the short distance between the fishing boats and the other end of the beach where it is retailed by middlemen.

Action Kusaidia (AKU), a GOZ entity established under the Presidency to undertake the economic and social development of the target area, approached the USAID as a participant in a program to provide the critical "mass" necessary for assisting the co-op in making the transition from an organization which is "getting by" to one which can grow to meet regional needs.

In early 1974, the USAID helped finance a baseline consumption survey in the target area. This survey identified problems such as high levels of malnutrition, low levels of income, and lack of protein availability in the target area. The survey showed that the demand for fish is high, but constrained by unavailability and price. High prices in rural areas seemed to be a function of a poor marketing structure and insufficient supply.

A Preliminary Project Paper (PPP) was submitted to AID/W in September 1974. An AID/W Review Committee reacted to the proposal by recommending that a feasibility study team be sent to the target area to address questions concerning project goal/purpose, fish production potential of Lake Tanganyika, institutional capability of COPELAZ and the possibility of PVO support for the project.

A team headed by Gordon Hall under an Auburn contract prepared an evaluation of the project in April 1975. This report confirmed the feasibility of the project and suggested a \$700,000 three-phase approach over three years. The first stage provided for rapid modernization of the COPELAZ fleet into trimarans, construction of a marketing infrastructure, development of a fish research/information system and provision of short-term technical expertise (\$280,000). In the second stage, COPELAZ would operate two of the former Greek-owned purse-seiners, additional marketing infrastructure would be built and additional technical assistance provided (\$200,000). The last stage would be one of exploring new technologies, motorizing and replacing hulls for the existing fleet, using more sophisticated techniques for finding fish and developing other means for fish processing (\$220,000).

AKU reviewed the Hall report and found the time frame of three years too long and the degree of sophistication suggested by the operation of industrial units beyond the capability of COPELAZ. An interim two-year project proposal was prepared by AKU which called for modernizing and doubling the co-op trimaran fleet (to 450 vessels), motorizing half the fleet, and constructing a marketing infrastructure and other support facilities. The AID contribution was estimated at over \$1.5 million for this \$2.1 million proposal.

Following an on-site visit and discussions with other interested contributors, the USAID Project Committee recommends a two-year project that will double the COPELAZ annual 5,500 ton fish catch and increase direct employment from 1,400 to 1,800 fishermen. The project will emphasize improved marketing and processing practices for increasing the quantity and quality of fish. The Hall report has been used as the basis for this project proposal, but the time frame has been compressed to two years. The shortened project resulted in the elimination of industrial fisheries development from consideration. Consideration of industrial operations requires further study, including agreements between the several countries bordering the Lake.

Project assistance will be carried out through Action Kusaidia (AKU), which is a GOZ rural development agency established under the Presidency. The recipient organization of the assistance will be the Cooperative des Pecheurs du Lac Tanganyika au Zaire (COPELAZ), which is an all-Zairian managed fisheries cooperative. Other donor assistance, direct and indirect, includes: Peace Corps; Institut de Recherche Scientifique en Afrique Centrale (IRSAC), a GOZ research group; United Nations International Childrens' Fund (UNICEF); International Labor Organization (ILO); and the Union Nationale des Travailleurs du Zaire (UNTZa), the sole union organization in Zaire.

The USAID will provide technical expertise in co-op management, credit, marketing, and fish-gear technology. Commodities will be provided to modernize the co-op fishing fleet, establish a mechanical maintenance shop and support the marketing structure.

AKU will make the infrastructure investments for the marketing system, the fish-processing facilities, and the service facilities for co-op members. The local shipyard (at Mosuti) will be expanded to provide the hulls necessary for converting most of the co-op fleet into trimarans.

IRSAC, UNTZa, ILO and PC will be involved in the training of personnel in fields such as mechanical maintenance, co-op management, ship building, research, etc.

The following conditions will exist at the end of this two-year project:

1. the COPELAZ fish catch doubled to 11,000 tons/year;
2. 70 COPELAZ pirogues converted to trimarans, for a total of 200 trimarans;
3. 200 COPELAZ trimarans equipped with large lift nets and high power light attractors;
4. 100 COPELAZ trimarans powered by outboard motors;
5. COPELAZ providing wide range of service to members, including credit, procurement of fishing supplies and fishing information;
6. 9 new selling stations marketing fish between Bukavu and Baraka;
7. 22 new fish drying racks (3 enclosed) processing fish between Bukavu and Baraka;
8. 3 new cooperative stores providing supplies to cooperative members;
9. 4 new storage depots built for storage of dried fish between Bukavu and Baraka;
10. approximately 400 additional crewmen, staff and fishermen employed by COPELAZ;
11. COPELAZ self-managed on a commercial basis with its own resources;
12. a revolving credit fund established.

D. SUMMARY FINDINGS

The feasibility of this project lies in the capability of COPELAZ to operate in the best interests of local fishermen. Its managers appear sincere, knowledgeable and honest and its program of first modernizing its present harvest (artisanal) equipment so as to gradually increase the catch, then of developing a good marketing system, is a sound and proper order of priorities. Attempts to develop new technology for much greater harvests, without first knowing how to market or distribute the increase, would be imprudent.

COPELAZ is a viable organization, but it needs more financial assistance to get moving. Making a success of this cooperative may have long-term benefits--it can be a model for the development and operation of other fishing co-ops on other Zaire waters; it will benefit local fishermen with higher wages and offer employment to many more people, directly and indirectly; it will provide the means for fishermen to acquire their own equipment and needed supplies through credit arrangements. Finally, with COPELAZ's marketing system, people in the outlying areas should receive more fish, and at a better price, than is now available to them.

Ongoing and planned activities of multilateral donors offer opportunities for collaboration on this and other fishery development projects on Lake Tanganyika. The UNICEF will have a project in CY 1975 which will train and equip 120 young fishermen who will become a part of COPELAZ after a two- to three-year apprenticeship. The ILO is working with AKU to establish a mechanics training center in Bukavu and to expand COPELAZ's Misuti hull-building operations. A FAO regional research center for the Lake has been proposed for Uvira, and probably will be established after political considerations have been worked out. The World Bank plans activities in Zairian waters of the Lake in 1980.

The project should be ready to implement by early CY 1976. Budget for Action Kusaidia inputs has been included in their annual budget submission. The two cooperative specialists provided by UNTZA have been in place since 1973. IRSAC has one man in place at Uvira to begin re-establishment of this research station. Two actions need to be completed: (1) agreement between the Peace Corps and AKU for one PCV to be

assigned to the COPELAZ mechanical shop; and (2) agreement between the ILO and AKU for one or two experts to be assigned to the Misuti shipyard. Satisfactory resolution of the two pending actions is condition precedent for entering into a project agreement with AKU.

See Annex P for applicable statutory criteria checklist.

E. PROJECT ISSUES

1. Should the PPP project goal of increasing fish protein availability in the Uvira and Fizi zones be redefined?

During the process of refining the preliminary project proposal, the project committee felt that the project should more adequately reflect DAP priorities. As a consequence, the PP sets forth an increased fish catch as one objective. This is fully supportative of the DAP's first priority to make Zaire self-sufficient in basic foodstuffs. Improved health status of the rural population through increased availability of fish protein is a second objective which is linked to the high priority health sector; and the third objective of increased rural employment opportunities is responsive to overall AID policy to improve the well-being of the rural poor.

2. Is the fish production potential of Lake Tanganyika endangered by this project?

The Hall report confirmed that the tremendous biomass of Lake Tanganyika is not likely to be depleted, even by industrial fisheries. With the present rate of harvest (10 percent of the sustainable yield), and even with a doubling or tripling of the rate, restrictions on the taking of fish in any way or number are not considered necessary at this time. The Hall report does suggest that the fish population be monitored so that, if shortages in certain kinds and numbers of fish occur over a period of years, appropriate regulations might be instituted.

3. Does COPELAZ have the institutional capability of absorbing and managing project inputs?

The USAID project committee felt that COPELAZ did not have the capability of effectively managing either the Hall or AKU proposals in their entirety. COPELAZ is a young organization that is dependent on UNTZA for management and organization expertise.

Institutionalizing the capability within COPELAZ to manage its own affairs will require longer-term technical expertise than that proposed in the PPP and Hall report. This is a result of the separate management functions (providing credit to members, operating supply stores, maintaining inventories, marketing fish, operating a mechanical repair shop, etc.) that the co-op will be expected to undertake upon completion of the project.

Training of personnel to meet these needs will consist of OJT provided by the USAID, PC, UNTZa and ILO, and classroom courses provided by the ILO and AKU.

4. Should AID-funded commodities be granted to COPELAZ?

The project committee took into account the lack of COPELAZ financial experience in determining a procedure for making available AID-financed commodities. It is expected that fishing gear (outboard motors, nets, lights, etc.) will be provided on a loan-purchase basis similar to a successful FAO program in Burundi. A new branch of the Banque du Peuple or the Societe Financiere de Developpement (SOFIDE) located in Uvira would be a suitable financial intermediary.

During the life of the project the reflows back into the fund will be used to finance the purchase of additional spare parts and equipment, build additional locally produced fishing vessels, etc. Final disposition of this fund will be determined by the USAID around the 18th month of the project. It is expected that the capacity of COPELAZ to manage the revolving fund can be adequately assessed at this time, and the fund could be granted to the co-op to provide an impetus for expanding the fleet.

5. Does COPELAZ fit the criteria of a PVO activity?

COPELAZ is a quasi-governmental organization. The development of agricultural cooperatives in Zaire is a shared responsibility of the Department of Agriculture (which provides technical/substantive direction--when possible) and the trade union organization, UNTZa. The latter, while nominally an independent trade union, functions at the will of the GOZ. The GOZ has, in fact, given the union the responsibility for organizing cooperatives throughout Zaire, including the provision of management personnel to the co-ops from the UNTZa. It does not appear that the COPELAZ fits the criteria of a PVO in a normal sense.

PART II. PROJECT BACKGROUND AND DESCRIPTION

A. BACKGROUND.

1. Background of Region

The region of South Kivu is dominated by Lake Tanganyika, of which Zaire has the biggest share. Annexes B through D provide maps and a thumbnail sketch of the Lake and its resources.

The Zaire coastline on the Lake is rugged and backed by steep hills, making access to the hinterland difficult. Communications depend on water taxi service plying along the coastline, and, apart from minor exceptions, the coastline is practically devoid of natural advantages which would provide safe anchorage for mechanized vessels. Roads linking coastal towns are generally in poor condition.

The main port is Kalemie on the central coast, with Uvira and Baraka located at the northern end and Moba to the south.

The Fizi zone around Burton Bay and inland from there still experience rebellious activities. Uvira and the area near Burundi border are under effective government control.

Apart from eight industrial purse-seining units (formerly Greek national owned) not now operating, there are some 130 trimarans (some transferred from Burundi during the 1972 disturbances) and about 1,500 pirogues on the coastline from the Burundi border to Baraka.

In 1974, the six or seven Greek national owned purse-seining units in Kalemie and eight units in Uvira were "Zairianized" by the Office National de Peches (ONP). The ONP was established in 1974 to manage these industrial fishing vessels, but they are largely understaffed at all levels and unable to operate the vessels or guide the development of industrial fishing on the Lake.

The potential sustainable yield of fish from Zaire waters of the Lake is estimated at 140,000 tons/year. Annex E describes the structure of the present catch, estimated at 15,000 ton/year.

Production figures by type of vessel indicate that single pirogues average 3-4 tons/year, catamarans and trimarans about 15-30 tons/year, and the industrial purse seiners around 200-300 tons/year. Of all the lakeside countries, Zaire has the greatest fisheries potential with sustained production of an additional 125,000 tons/year, worth ex-vessel around \$12 million and two to three times that at retail levels.

The present fishery industry is more developed in the northern half of the Lake, from Kalemie to Uvira. Road connections allow the flow of fish to consumer centers such as Bukavu and to the gold mining areas in and beyond the Kivu district where the customers have a cash income for buying fish. However, there is a need and scope for further development from the south of Burton Bay all the way to the Zambia border. There is evidence that fishing is generally richer in the central/southern part of the Lake, but road communications are poor in the south.

2. Background of Target Area

Some important aspects of the Uvira and Fizi project zones are as follows:

- a. Demographic: The Uvira zone is somewhat more populated than the Fizi zone, with 1973 populations of 151,000 and 94,000, respectively (127,000 vs. 82,000 in 1959). Uvira has experienced considerably more rural-urban displacement than Fizi.
- b. Economic: Economic activities vary considerably between zones.

<u>Zone</u>	<u>Agriculture</u>	<u>Livestock</u>	<u>Fishing</u>	<u>Commerce</u>	<u>Other</u>
Uvira	55%	20%	9%	13%	1%
Fizi	30%	6%	60%	3%	1%

In both zones the principal crop is manioc produced for consumption by the family and very little sold in the market. In order of importance, the principal commercial crops in Uvira are cotton, peanuts, bananas and sugar cane. Similarly, in Fizi they are palm oil and coffee.

- c. Income: Little is known on income levels in the target zones, but it appears that regional levels of \$44/month for urban areas and \$12/month for rural areas are reasonable estimates. Income in Uvira is probably less than in Fizi because fishing produces more income than farming.
- d. Health: Malaria is the number-one disease in both zones, followed by schistosomiasis due to the lack of potable water. In the area of the Plain of Ruzizi there is substantial kwashiorkor, acerbated by ascariasis, and in the south ancylostomiasis is more prevalent. Other intestinal diseases and protein deficiency are common.
- e. Marketing structure: Local markets are typically located in accordance to population concentration. However, in some cases, markets are fixed by local authorities as consolidation points for serving local populations and supplying urban areas.

There is substantially more commercial activity in Uvira than in Fizi. This is explained by the all-weather road between Uvira and Bukavu, whereas in the Fizi zone the roads are normally passable only by off-the-road vehicles.

Part III.C.1. describes the fish-marketing structure, which is not well developed except for supplies going to Bukavu. Insufficient supplies of fish and poor transportation serve to exacerbate the fish marketing structure in rural areas.

- f. Diet: A typical meal in either zone would include a main dish of vegetables, fish, meat, etc. Insufficient income results in a low level of protein consumption. Two meals are consumed daily in the Uvira zone, while three are taken in the Fizi zone. Fish is generally cooked in water in both zones, although the preferred method is to cook in oil if the latter is available.

3. COPELAZ Experience

COPELAZ was formed in March 1973 as an attempt to revitalize two fishing cooperatives which existed in the same region between 1951 and 1960 but which were disbanded during post-independence civil disturbances. It was founded with some technical and financial assistance from UNTZA, starting with 30 members and growing to a present membership of 223. The basic goals of COPELAZ are to augment fish production through the improvement of fishing methods and to provide its members with technical assistance, reasonably priced equipment and credit.

Its organization consists of a General Assembly (the membership), which elects the President and Executive Council (9 members), fixes their salaries and votes on the annual distribution of cooperative profits in proportion to the various members' contribution. The Director of Operations is chosen by the Executive Council and is presently a cooperative expert provided by UNTZA who also provides technical assistance in cooperative management.

There are four committees, comprised of five cooperative members each, which are charged with the following responsibilities:

- a. the Technical Committee, which studies the improvement of fishing materials and equipment;
- b. the Purchasing Committee, which studies least-cost procurement of fishing supplies for the members;
- c. the Sales Committee, which handles marketing;
- d. the Education Committee, which organizes various education programs for the cooperative members.

The present inventory of COPELAZ is valued at approximately \$150,000 and consists of boats, nets, lamps, anchors, outboard motors, etc.

Members of COPELAZ must pay an inscription fee of \$40, which is non-returnable. As members, the fishermen are obliged to sell their catch to COPELAZ. At the end of the year, profits are distributed to fishermen according to the proportion of their sales to COPELAZ.

The fisheries operation is organized as follows:

<u>Section</u>	<u>Pirogues</u>	<u>Trimarans</u>	<u>Members</u>	<u>Beach Landings</u>	<u>Location</u>
I	120	60	60	8	Uvira
II	140	70	70	12	Mobko
III	70	-	70	6	Ubwari
IV	14	-	30	2	Sebele/Misufi

Section IV also includes four teams of four members each who build dugout pirogues.

COPELAZ has been most successful in organizing the local fishermen and fixing the ex-vessel price of fish to insure satisfactory incomes for the fishermen. Progress has been slow in cooperative service functions such as marketing, credit and technical assistance due to insufficient income and expertise.

4. Related Host Country Activities in Target Area

GOZ rural development activity in the target area is dominated by Action Kusaidia (AKU). AKU was established under the Presidency in 1972 to provide material and moral aid in the Uvira-Fizi-Baraka region; to provide material and administrative support for 50,000 refugees from Burundi; and to undertake the reconstruction of areas disrupted by the 1960-65 and 1967 civil wars. Their program consists of establishing model rural development projects and assisting other GOZ organizations in the area with management and operational problems. Their 1975 budget is \$2.5 million; professional staff numbers 25; and they are undertaking projects in school construction, establishment of health clinics, road rebuilding, agricultural pilot programs, etc.

The Institute of Scientific Research in Central Africa (IRSAC) has reopened their Uvira station (closed since 1959) with an emphasis on fishery biology and research. The Director was a co-author of the Hall report.

5. Other Donor-Related Activities in Target Area

The ILO is establishing a sub-center of the Kisangani Institut National de Preparation Professionnelle (INPP) as a mechanics training center in Bukavu. Location of a Kivu center has been under study since 1973. In addition, the ILO and AKU are planning to expand the COPELAZ Misufi shipyard, including one or two ILO vocational training experts.

Discussions are under way between the Peace Corps and AKU for one PCV mechanic to assist COPELAZ establish a mechanical repair shop for maintenance of the fishing fleet and vehicles.

A fisherman training program under UNICEF auspices in Uvira is being implemented. The project is funded for \$300,000 and its objectives include:

- a. establish ten artisanal fishing units in the Uvira region, each staffed by twelve young fishermen under the guidance of an experienced fisherman;
- b. teach these units artisanal fishing techniques through OJT and formal instruction;
- c. integrate the fisheries units and their equipment into COPELAZ upon completion of a two-three year apprenticeship;
- d. establish a fisheries repair and maintenance facility and train selected young men in equipment repair and maintenance techniques and boat repair (the level of the latter activity will depend on the outcome of the previously mentioned ILO training center).

Both the UNICEF and the USAID consider their projects highly complementary. UNICEF and the USAID support an approach whereby the USAID contract technician would work closely with UNICEF in Uvira and orchestrate inputs. (This assistance is considered very important by UNICEF as their project seems to be weakened by a lack of project management leadership.)

The UNDP/FAO regional fisheries office is located 35 km. from Uvira in Bujumbura. For political reasons we do not expect this important resource to be available directly except on an ad hoc basis. The FAO is undertaking important research in fish gear technology, fish habits, etc., which may be available. In addition, FAO has a fishery development project in Burundi similar to this project (rehabilitating and developing artisanal fishery co-ops, building boat hulls, training personnel and fish marketing). This project started in 1974 and is funded for \$700,000 for three years. The development of fisheries cooperatives appears more advanced in Burundi, and FAO's efforts are directed more at developing industrial fisheries and fish processing facilities than those contemplated by the COPELAZ project.

Should Zaire and FAO fund a proposed FAO regional fisheries research center in Uvira, it is expected that considerable collaboration will take place between COPELAZ and the FAO. Zaire has offered the former IRSAC facilities to FAO as the center, but Burundi has also expressed an interest in putting the center in Bujumbura.

The World Bank sent a team to Burundi in October 1975 to prepare an appraisal report for a \$5 million, two-year program to build three fish processing plants (smoking and drying) in Burundi. The team indicates a long-term Bank interest in developing a fisheries program in Zaire waters around 1980. Ms. Kathryn Marshall, a member of this IBRD team from the World Bank/Washington, indicated that plans for their program in Zaire are in Washington.

The United Nations High Commission for Refugees (UNHCR) is involved in caring for some 23,000 Burundi refugees, mostly around Uvira and the plain of Ruzizi and between Uvira and Baraka on the coast. Along with UNICEF, assistance is provided in feeding, health care and schooling. Approximately 10 percent of the employed refugees earn their livelihood as fishermen.

B. DETAILED DESCRIPTION

1. Design Framework

a. The sector goals of this project are to increase fish production, make available more protein and increase employment in the Uvira-Fizi zones of Eastern Zaire. This will assist people who are predominantly rural, malnourished, underemployed and living at a subsistence level.

b. The purpose of the project is to modernize an artisanal fleet of a fisheries cooperative for increasing its fish catch, develop the marketing capability and structure for marketing and processing the increased fish catch, and expand services being provided by the cooperative (credit, training, supplies, information, etc.) to sustain its growth.

c. The planned outputs of the project are:

(1) doubling of the COPELAZ fish catch to 11,000 t/y;

(2) COPELAZ trimaran fishing fleet increased by a third, to 200 vessels, and equipped with larger nets and high power light attractors;

(3) 100 COPELAZ trimarans powered by outboard motors;

(4) COPELAZ providing wide range of services to members, including credit, procurement of fishing supplies, and fishing information;

*(5) 9 new selling stations marketing fish between Bukavu and Baraka;

*(6) 22 new fish drying racks (3 enclosed) processing fish between Bukavu and Baraka;

*(7) 3 new cooperative stores providing supplies to cooperative members;

*(8) 4 new storage depots built for storage of dried fish between Bukavu and Baraka;

(9) approximately 400 additional crewmen, staff and fishermen employed by COPELAZ;

(10) COPELAZ self-managed on a commercial basis with its own resources;

*See Annex F for specific locations of these facilities.

(11) revolving credit fund established.

d. The planned inputs of the project are:

(1) USAID:

(a) \$285,000 in Commodities, such as nets, light attractors, outboard motors, research gear, and vehicles;

(b) \$110,000 of Technical Assistance in fish co-op management and fish marketing and in fish gear;

(c) \$5,000 of Evaluations.

(2) Action Kusaidia:

(a) \$35,000 of Materials and Labor for construction of selling stations, drying racks, storage depots and co-op stores;

(b) \$20,000 In-Kind for housing and transportation of USAID experts;

(c) \$15,000 in Equipment and Construction to expand production of boat hulls at the COPELAZ Misufi section;

(d) \$3,000 of Training for mechanics.

(3) COPELAZ:

(a) \$1,800 for Training of mechanics at the ILO center at Bukavu (salaries, tuition, per diem, etc.);

(b) \$17,000 In-Kind contribution for space and local support costs for USAID technician;

(c) \$11,200 in Salaries for Mifusi shipyard.

(4) IRSAC:

\$15,000 for hull refurbishing; staff to be involved part of the time in fish info gathering for COPELAZ.

2. Design Framework Linkages

a. Inputs-outputs

(1) A modernized COPELAZ fishing fleet will involve the construction of fishing hulls to provide additional trimarans and ancillary pirogues. Equipment, fish gear, technical assistance and additional crew are required to complete modernization and operate the vessels.

(2) A fish-marketing structure will require infrastructure investments and technical assistance to establish selling and drying stations and storage depots. Commodities, vehicles and staff are required to support these facilities.

(3) For COPELAZ to become self-sufficient will require training of counterpart personnel. An important part of being self-sufficient is the ability of COPELAZ to provide services to its membership. Mechanics will be trained for a COPELAZ repair shop and co-op stores will be constructed, a credit system will be established and improved information will be made available to members on seasonal movements of fish, concentrations of species, etc.

b. Outputs - purpose

(1) Increased income and employment require modernization of the artisanal fishing fleet using trimarans, as this particular configuration both increases output of fish and the number of crew members needed for its operation. By marketing the fish catch, it will be possible to reduce the middleman spread between ex-vessel and retail prices, leaving larger margins for both the co-op and members.

(2) Making more fish available to rural populations in the target area will require an improved marketing structure and a reasonable retail price for fish.

(3) A self-sufficient co-op will require trained personnel and systematic approaches for providing services to the membership.

c. Purpose - Goal

Increased employment, incomes and availability of fish in the target area can be achieved by establishment of a modern artisanal fish cooperative.

PART III. PROJECT ANALYSES

A. TECHNICAL ANALYSIS, INCLUDING ENVIRONMENTAL ASSESSMENT

Present equipment and techniques of fishermen in the Uvira-Baraka and Bay of Burton sectors of Lanke Tanganyika are similar to those used and developed further by FAO in Burundi. Virtually all fishing on the lake is nocturnal, using light attraction with scoop nets (traditional), lift nets and beach seines (artisanal) and purse seines (industrial).

The basic fishing craft is the native wooden pirogue (dugout canoe) about 8 meters long. A few pirogues are made out of wood planks, but the fishermen in Zaire do not like planked boats--they do not last as long as dugout canoes (3-4 years compared to 10-12 years) and they have problems with seams opening constantly due to poor construction and caulking.

The traditional fishing method involves two men in one dugout; one rows and the other scoops up fish from the bow as they collect under the light, usually a kerosene pressure lamp. The artisanal fishermen employ two or three pirogues tied together with long poles to form catamarans or trimarans, also equipped with lights for fish attraction. Lift nets from 36m² to 108m² are deployed under the boats and operated via outriggers with pulleys. Each trimaran is accompanied by two to four non-member single search pirogues with lights of lower candlepower. When fish are located by the search boats, the net boats are signaled and the fish school is transferred to the trimaran by reducing the brightness of the lights in the search boats and turning up the higher intensity lights on the trimarans. After the nets are deployed under the school, the search boats leave to hunt for other schools. The trimaran fishing unit utilizes eight to ten non-member fishermen, depending on the number of search boats. A few steel boats with fast motors are now operating in the Uvira area.

The project proposes to modernize the artisanal fleet, mainly by the provision of better or newer gear which is familiar to the fishermen and based on Greek-introduced techniques. In addition, outboard motors will be provided for part of the fleet as a step in developing within COPELAZ the capability to mechanize its fleet.

Nets

FAO production experiments with trimarans and lift nets resulted in the following in Burundi:

Liftnet:	$\frac{6 \times 6}{19}$	$\frac{9 \times 9}{76}$	$\frac{14 \times 7}{99}$	$\frac{12 \times 9}{123}$	$\frac{12 \times 10}{141}$
kg/night:					

which would indicate that the 108m² net (in limited use by COPELAZ) might be the most efficient net for use by COPELAZ.

Lamps

Lamps used as light attraction are basically good, but in poor condition. The fuel pressure systems are corroded, glasses are tarnished, etc., all reducing the effectiveness of the lamps. While it is not likely that the U.S. manufactures this type of lamp, it seems that the Swiss-made EFAR lamp is manufactured under license in India, a 941 country, and has been used successfully in Burundi.

Motors

Outboard motors will probably be Johnson, which will also be purchased for the UNICEF project. Johnson is represented by a local firm in Kinshasa, and spare parts are expected to be available. Evinrude is another possibility, as there is a representative in nearby Bujumbura; however, the political situation along the Burundi-Zaire border is such that free access to spare parts cannot be assured. The actual type of motor for trimarans, the IRSAC research vessel and coastal boats will be determined by the fish gear expert.

Boats

A question remains as to the most appropriate type of hull for the boat hulls to be built by AKU. The USAID is inclined to opt for the pirogue (dugout) technology. AKU, who will be responsible for building the hull with ILO assistance, favors a plank and fiberglass hull. The FAO in Burundi uses a light steel hull, but they are constrained by the lack of good wood for hulls and have suggested that pirogues would be most appropriate for Zaire where adequate wood is available. FAO and the Hall report both discount ferroceement hulls as inappropriate for artisanal craft (low ratio of buoyancy to hull weight). The USAID is inclined to think that AKU will go ahead with the plank-fiberglass hull, which should be within the technical capability of COPELAZ to produce.

The credit system for providing fishing gear and equipment to members will be based on a similar successful lease-purchase arrangement carried out by the FAO in Burundi. Similarly, the FAO has available their research on various types of fish drying techniques.

The environmental impact of this project is expected to be nil. The sustained yield of fish from the Zairian water is estimated at 140,000 t/y, while the current fish catch is approximately 14,000 t/y for all of Zairian waters. This project proposes to raise the fish catch to approximately 20,000 t/y, or around 15 percent of the possible yield. No other important environmental impacts are expected.

In summary, the fishing technology proposed is based on techniques successfully practiced throughout Lake Tanganyika. Costs are reasonably accurate, as few modifications are anticipated in putting the technology in place. Cost estimates for training mechanics, establishing a mechanical shop and constructing boat hulls are less accurate, as these activities are somewhat new programs for the area. Construction of the marketing infrastructure is based on reasonably good cost estimates.

B. FINANCIAL ANALYSIS AND PLAN

1. Financial Rate of Return/Viability

Annex G estimates net income of members for the first five years of the project.

The two main financial concerns of this project are that the individual fisherman's income is sufficient to service the debt of modernizing his fishing operations and that COPELAZ income over a reasonable level will be utilized by COPELAZ for the well-being of members and the community.

Based on Annex G projections, individual membership incomes are estimated at \$40/month during the first two years of the project and \$125/month during the last three years. The latter figure does not include debt repayments. A typical member in Sections I and II can be expected to purchase approximately \$1,200 of fishing gear (outboard motor, net and lights) to modernize his trimaran operation. In Section III, this amount might be \$800 (trimaran hulls, net and lights) as it is not likely that outboard motors will be used in the short run. Section IV will remain a single pirogue fishing operation until membership is increased and facilities are available to support an artisanal fleet.

The South Kivu is an area where 31 percent of the heads of households earn less than \$10 per month and only three percent earn over \$120 per month. While not dictating what might be a socially just income, it appears that an individual fisherman might expect to earn \$50 net per month after modernizing his vessel from a gross of \$110-\$120. Approximately \$60 per month would be available for amortizing the original investment and replacement of equipment. It should be possible to pay off the original investment within 12-18 months, depending on the useful life obtained from the fishing gear.

The existing pricing arrangements with fish retailers leave COPELAZ with an inadequate margin for providing more than minimal services to its membership. These arrangements, in turn, encourage co-op members to sell directly to the middlemen instead of COPELAZ, further restricting the earning capacity of COPELAZ. Direct sales to middlemen appear relatively small, but significant.

Project inputs are expected to get the conditions whereby the livelihood of members is maintained at a fair level by providing them the capacity to catch and sell more fish at the current ex-vessel price. COPELAZ, by establishing a marketing system, is expected to reduce or eliminate the "fat" in the existing marketing structure, which will improve its earning capacity (see III.B.2.). A key element in this scheme will

be the ability of COPELAZ to carry out beneficial programs to its membership and the community so members will be encouraged to sell their catch to COPELAZ rather than directly to middlemen. Project programs, such as the mechanical shop, supply stores, credit facilities, etc., all help to demonstrate to the fisherman that COPELAZ functions for his benefit.

COPELAZ has little experience handling cash flows and financial management. A project output will be for the AID finance technician to assist in establishing a financial information and control system. Additionally, co-op members, themselves, have had little experience in dealing with formal credit systems. In fact, the first banking institution (Banque du Peuple) will open in Uvira, the first such branch in this region, during the fall of 1975.

To provide control of project commodities, the USAID advisor will establish credit arrangements in making available fishing gear and equipment directly to the fishermen. This fund will remain under the control of AID until an adequate financial information and control system is institutionalized. The manager of COPELAZ is honest and capable--a good starting point from which to improve the financial capacity of the co-op.

2. Recurrent Budget Analysis of COPELAZ

Little cost data is available for most conditions that will exist at the end of the project. However, we can reasonably assume the following as parameters for COPELAZ's medium-term recurrent budget:

- a. \$10/box (40 kg.) ex-vessel price of fish;
 - b. \$12/box COPELAZ retail price of fish;
 - c. 10 percent quantity loss of fish between ex-vessel and retail outlet;
 - d. operating cost of fishing increases from 30 percent to 50 percent of gross income (including depreciation);
 - e. crew shares (non-members) average \$30/month per crew;
 - f. pirogues catch one-half box of fish per day and trimarans 3 boxes.
- 5th*

Based on a membership of 225 and a fleet of 200 trimarans and 25 pirogues, distribution of income, operating and maintenance costs would be as follows:

<u>Members</u>	('000 \$)
<u>RECEIPTS</u>	<u>\$ 1,899</u>
<u>Sales</u>	\$ 1,899
310 days (.5/bx x 25 pirogues + 3/bx x 200 trimarans) \$10 bx	
<u>EXPENDITURES</u>	<u>(\$1,607)</u>
<u>Crewmen Shares</u>	\$ 657
(200 trimarans x 9 crews + 25 pirogues x 1 crew) \$30/mo x 12 mo	
<u>Operating Expenses</u>	\$ 950
(50% x \$1,899)	
<u>NET INCOME</u>	<u>\$ 292</u>
<u>Monthly Income/Member</u>	\$ 108/mo
(\$292/12 mo x 225 members)	

COPELAZ

5th yr

<u>RECEIPTS</u>	<u>\$ 342</u>
<u>Sales</u>	\$ 342
310 days x \$2/bx (.5/bx x 25 pirogues + 3/bx x 200 trimarans) 10% loss	
<u>EXPENDITURES</u>	<u>(\$ 197)</u>
<u>Salaries</u>	\$ 128
COPELAZ: 3 mgs. @ \$10,000/yr + 2 adms. @ \$5,000/yr (\$40)	
Marketing: 10 sellers @ \$1,000/yr; 50 dry oprs. @ \$600/yr; 30 depot @ \$600/yr; 10 store @ \$1,000/yr; 32 shipyard @ \$600/yr (\$88)	
<u>Vehicles</u>	\$ 69
Delivery trucks (50¢/mi x 25,000 mi)2; P/U (25¢/mi x 25,000/mi)2; Deprecia- tion (50%/yr x \$20,000 x 2 + \$7,000 x 2); and drivers (5 x \$800/yr)	
<u>NET INCOME ON MARKETING ADMIN OPERATIONS</u>	<u>\$ 145</u>

While accurate costs are not available, a conservative receipts/expenditures analysis indicates that COPELAZ is financially viable. Member incomes are adequate to cover shortfalls through membership assessments.

A crucial element will be the maintenance of the marketing system within the spread of the price of fish ex-vessel and COPELAZ's retail price. In addition, service facilities, such as the mechanics shop and co-op stores, should operate at near the break-even point.

C. SOCIAL ANALYSIS

1. Social Compatibility

Modernizing the COPELAZ fleet is expected to have little technological social impact, as the fishing techniques are those which are in general practice throughout Lake Tanganyika. A few of the COPELAZ vessels are trimarans with some modern equipment, and no particular problems have been experienced except for the poor condition of equipment in use.

Some displacement in the wholesale marketing structure is anticipated. Presently middlemen dealers, licensed by the GOZ, buy the nightly catch. There are four general types of middlemen: (a) those who advance credit to fishermen and generally sell the catch to other middlemen on the beach; (b) those who market the catch on bicycles with a platform from village to village (the principal way of getting fish to the hinterlands); (c) those who buy and sell in small quantities at the boat landing; and (3) those who buy to take to the market to sell.

The project proposes that COPELAZ market their catch rather than sell on the beach to a series of middlemen. This was tried previously by COPELAZ, but failed as they had insufficient capital to purchase a truck and a rental vehicle was too expensive.

COPELAZ's planned marketing and distribution system should alleviate the social concern that a revised price structure would only result in a price increase being passed to the consumer and that the middlemen would "revolt" if a major price increase was given the fishermen.

The Hall report reasons that the co-op should be able to operate on a smaller margin than exists between the beach and consumer because of "fat" in the system. If true, the ex-vessel price could be increased, thus attracting a greater supply (some COPELAZ members sell directly to the middlemen rather than at the lower fixed price of the co-op). With the establishment of co-op sales stations in rural areas, the villager will now have the choice of buying at the station (at wholesale prices) or continuing to buy from fish hawkers. This would place a real limit on the small entrepreneur's margin, but it is unlikely that a "revolt" would take place due to the limited alternatives available to him in a rural economy (he would prefer a reasonable return to zero). No doubt also, the small fish hawker would buy fish from the sales stations and, in turn, extend his route farther into the hinterlands to increase his margin--making more fish available in outlying areas.

2. Spread Effect

There should be no negative impact on other fishermen who are not members of COPELAZ. Most of these fishermen use traditional fishing methods--single pirogues using dip and scoop nets. They are the older fishermen who are not interested in changing their fishing techniques and will be satisfied with smaller amounts of fish for family use or market trade. On the other hand, many others should also be encouraged to join COPELAZ when they see benefits and services available to members that they are not sharing.

Opportunities for introducing the concept of fisheries cooperatives are attractive. UNTZA has just formed two new cooperatives in the southern part of Lake Tanganyika (Kalemi and Moba); three other large lakes (Amin, Mobutu and Kuvu) in eastern Zaire are largely untapped; and the cooperative approach to fisheries lends itself to evolving into industrial fisheries (similar to FAO's fishery development effort in Burundi). Following their lead in Burundi, it is likely that the World Bank will undertake investments in fish processing plants in Zaire around 1980 if the fish catch is sufficiently large.

3. Distribution of Benefits and Burdens

There is some concern that benefits from this project may be concentrated in the COPELAZ membership. This is a possibility should COPELAZ become a closed-end co-op and fish is largely sold outside the target area. COPELAZ has expressed a wish to expand its membership. One manifestation of this is the UNICEF "Jeunes Pecheurs" project, where, after a two-year apprenticeship, some 120 new fishermen will become members of the co-op. The by-laws of the cooperative place no limits on membership other than citizenship and approval of applications by the administrative council.

Establishment of sales stations between Bukavu and Baraka is an attempt by the co-op to provide fish in outlying areas. While little information is available, it is clear that there are few sources of income in some of these areas and, with the high demand for fish in more populous areas (Bukavu), there will be some price competition for supplies. The co-op is quite interested in helping provide fish for the local undernourished people, and a sincere effort will be made to supply their needs. Poor roads and high transportation costs to urban areas may assist in reducing their income advantage.

With COPELAZ marketing its own catch, there will be a burden placed on the middlemen dealing in fish. There is "fat" in the existing marketing structure, but, as indicated in III.C.1., it appears quite possible for the middlemen to still earn reasonable profits.

Fishing is normally only practiced by men. Benefits are, however, expected to accrue to women, who generally retail fish--except for fish sold from bicycles. Additions to income earning opportunities for women are expected as women will be involved in large numbers in the drying of fish on project built drying racks.

D. ECONOMIC ANALYSIS

Three main economic impacts are foreseen:

1. Income

There are three main fishing techniques practiced on Lake Tanganyika: (a) traditional (single pirogues catching 3 tons/year); (b) artisanal (catamarans or trimarans catching 15-30 tons/year, respectively); and (c) industrial (purse seiners catching 200-300 tons/year).

A comparison of end-of-project income earnings between the traditional and artisanal technologies indicates the following:

<u>All Pirogue Fleet</u>		(\$ 000's)
<u>Receipts</u>		<u>\$ 349</u>
<u>Sales</u>	\$349	
310 days (.5/box x 225 pirogues)	\$10/box	
<u>Expenditures</u>		<u>(\$ 151)</u>
<u>Crewman Shares</u>	\$ 81	
(225 pirogues x 1 crew)	\$30/mo x 12/mo	
<u>Operating Expenses</u>	\$ 70	
(20% x \$349)		
<u>Net Income</u>		<u>\$ 198</u>
<u>Monthly Income/Member</u>	\$72/mo	

<u>All Catamaran Fleet</u>		
<u>Receipts</u>		<u>\$1,046</u>
<u>Sales</u>	\$1,046	
310 days (1.5/box x 225 catamarans)	\$10/box	
<u>Expenditures</u>		<u>(\$ 823)</u>
<u>Crewman Shares</u>	\$ 405	
(225 catamaranx x 5 crew)	\$30/mo x 12/mo	
<u>Operating Costs</u>	\$ 418	
(40% x \$1,046)		
<u>Net Income</u>		<u>\$ 223</u>
<u>Monthly Income/Member</u>	\$82/mo	
(\$223/12 mo x 225 members)		

All Trimaran Fleet
(\$ 000)

<u>Receipts</u>	<u>\$2,093</u>
<u>Sales</u>	\$2,093
310 days (3/box x 225 trimarans) \$10/box	
<u>Expenditures</u>	<u>(\$1,775)</u>
<u>Crewman Shares</u>	\$ 729
(225 trimarans x 9) \$30/mo x 12/mo	
<u>Operating Expenses</u>	\$1,046
(50% x \$2,093)	
<u>Net Income</u>	<u>\$ 318</u>
<u>Monthly Income/Member</u>	\$118/mo
(\$318/12 mo x 225 members)	

No attempt was made to consider industrial fisheries as a viable alternative. The Office National de Peche (ONP) is responsible for the seven former Greek-owned trawlers. Even if these could be transferred to COPELAZ (unlikely), renovations would probably cost upward of \$100,000 each. The FAO is currently designing a smaller seiner which might cost \$50,000 each equipped and worth considering for the future.

Of the known pre-industrial technologies used on Lake Tanganyika, it appears that the trimaran configuration is the most efficient in terms of income generation (85 percent more than pirogues and 45 percent more than catamarans).

Various technological alternatives for equipping vessels with other fishing gear have been tested by the FAO in Burundi, and results are available in reports.

2. Employment

Based on a paid crew of one crew member per pirogue, five per catamaran and nine per trimaran, the respective direct employment generated would be 225, 1,125 and 2,025 for 225 co-op members fishing with all pirogue, catamaran and trimaran fleets. A trimaran fleet is expected to generate employment opportunities through increased commercial activities in marketing. Also, an additional 100 new middle- and low-level positions are expected to be required to operate various COPELAZ service facilities, processing and boat hull operations, and to support the marketing structure.

Additional crew is expected to be available from the 1,500 pirogues fishing outside of the co-op. Training will be required for the few middle-level and technical positions required.

3. Health Status

No attempt has been made to measure the economic impact of making more fish available to the target population in terms of improved health status. Both target zones suffer from protein deficiency, the demand for fish far exceeds supply, and fish is a protein source that can have a positive effect on reducing a protein gap.

In these circumstances, it seems sufficient that insuring a substantial part of the fish catch be marketed in the protein deficient zones will result in a positive effect--albeit undetermined.

The special evaluation called for at the end of the project will address this problem, so judgments of this impact can be estimated for any other similar project.

4. Feasibility Indicators

The calculation of present value of net benefits, internal rate of return and benefit-cost ratio is presented in Annex L. The result of these are:

Benefit-Cost Ratio.....1.12

Internal Rate of Return.....12%

These calculations give positive measures of project feasibility. Costs and benefits have been discounted to their present value at a rate of 8 percent annually (based on opportunity costs used in World Bank studies).

Positive benefits such as increased commercial activity, improved health status in the target area and higher indirect employment are not included in these calculations.

PART IV. IMPLEMENTATION ARRANGEMENTS

A. ADMINISTRATIVE ARRANGEMENTS

1. Recipient

Action Kusaidia will implement the project. As noted in Part II.A.4., AKU is a civil action group established in 1972 under the Presidency to provide aid in the Uvira-Fizi-Baraka region. The Director General of AKU is an American. AKU has the capacity to undertake projects with minimum formalities and has access to top-level GOZ officials.

A key part of AKU's role is the coordination of supportive programs outside the realm of this project (ILO mechanic training center in Bukavu, UNICEF "Jeunes Pecheurs" training project, and probably rebuilding of the former IRSAC facilities in Uvira) and direct project support (PCV for the COPELAZ mechanical shop, ILO vocational experts for Misufi shipyard, administrative support of USAID technicians, development of IRSAC fish information system and continuation of the UNTZa co-op experts). AKU is a tightly run organization with a record of good management capacity and a history of replacing staff which are incompetent or dishonest.

COPELAZ appears to have the capability to operate in the best interests of local fishermen; its managers appear sincere, knowledgeable and honest. It is a viable organization, but it lacks financial resources to get moving. The GOZ is providing full support and encouragement to COPELAZ as the strongest organization on Lake Tanganyika capable of increasing fish production in Zaire waters. It seems, however, that much of COPELAZ's success is a result of inputs provided by UNTZa.

COPELAZ is largely managed by one man. Cit. Kahindo, UNTZa-provided manager--along with his UNTZa assistant--is extremely capable and honest, and the fishermen hold him in high esteem. The loss of this person would be a difficult blow for the co-op to overcome if this took place within the first year of the project. Long-term USAID technical expertise is being provided to the co-op for this reason. In addition, UNTZa assistance is mainly of an organizational variety and the advisors are not particularly adept in the fields of marketing, credit, procurement and other operational functions. With good counterparts (a problem in the past according to UNTZa), it appears possible to put COPELAZ in the position of being able to manage its own affairs.

IRSAC is presently a one-man operation, as it was only re-established in mid-1975. Additional staff is expected during the coming year. Cit. Luyeye, Fisheries Biologist, assisted the Hall team in a study made in 1975 and is very competent. A small amount of equipment (motor and sonar equipment) will be provided IRSAC in order to improve their capability to provide information on the habits, especially seasonal movements, and concentrations of species important to the artisanal fishery, and better estimates of their biomass, relative abundance and potential production, etc. IRSAC has the potential of expanding to its former size should the FAO establish a regional fisheries center in Uvira, and is quite capable of establishing a fish-finding information system in collaboration with COPELAZ.

2. A.I.D.

No unusual role or major staff commitment is planned for AID in the administration of the project.

There are two main AID disbursements:

a. Commodities. Commodities will be procured twice during the project. At the beginning of the project, a fish gear expert will develop PIO/Cs for equipment to modernize the fleets in Sections I. and II. Upon the arrival of the initial commodities, the gear expert will return to help in the installation of these commodities and to prepare the final PIO/Cs.

Fish gear and motors (normal items that might be stocked in the co-op's stores) will be provided on a lease-purchase basis, cash or credit (depending upon the item). Mark-ups, credit arrangements, repayment requirements, etc., will be determined by the USAID co-op management/marketing expert. Repayments will be placed in a separate account at a local institution (probably the Banque du Peuple) to serve as a revolving fund for the purchase of spare parts and fishing gear under the guidance of the USAID co-op expert. Final disposition of the revolving fund will be determined after the first evaluation of the project.

Vehicles procured for the fish marketing operation will be granted to the co-op, and additional spare parts will be procured through the above credit system. Equipment for the IRSAC research vessel will be granted in aid, with IRSAC being responsible for maintenance and additional spare parts.

b. Technical Assistance. It is expected that the short-term fish gear expert can be provided through a 211(d) grantee. The fish co-op management/marketing expert could be DH, PSC or a contractor. The long-term expert will be funded from FY 1976 funds and the short-term expert will be funded in both FY 1976 and FY 1977.

B. IMPLEMENTATION PLAN (See Planned Performance Tracking Network-PPT - Annex J)

1. Responsibilities, Actions and Relationships

AID will be responsible for providing fishing gear, vehicles and technical expertise in co-op marketing/management and fish gear technologies. The key actions will be the contracting of a co-op expert and obtaining a fish gear expert to prepare PIO/Cs. Both AKU and COPELAZ will provide administrative support for the experts. The experts, in turn, will have an advisory role in relation to the UNTZa-furnished general manager.

AKU will be responsible for overall management of the project and specific inputs, such as building the infrastructure to support a fish marketing system, building facilities for providing services to the co-op members and construction of boat hulls at Mifusi. Training of mechanics will take place at the planned AKU/ILO mechanics training center in Bukavu.

Questions such as placement of the marketing and services infrastructure will be determined collaboratively between COPELAZ and AKU, taking into account expert opinions from AID technicians.

The UNTZa has essentially the role of implementing the project. They will be responsible for coordinating direct donor inputs and training counterparts to assume the management of the co-op. Former counterparts provided by COPELAZ have proven unsatisfactory, and UNTZa must make a greater effort to obtain suitable counterpart staff.

COPELAZ is generally responsible for providing staff to be trained to assume management of the co-op and to operate the maintenance shop. Throughout the project, it will be necessary to alter the relationship between UNTZa and COPELAZ to one where COPELAZ is willing and able to assume the responsibility for their own leadership.

2. Milestones

While the PPT identifies a number of possible milestones, two are most important--the 14th and 21st months in which steps involving the modernization of the fishing fleet have been completed. Similarly, the building of the marketing infrastructure and service facilities at the 11th and 17th months are important, as are the construction of new catamarans at the 9th and 15th months, and training of mechanics at the 8th and 13th months. A co-op management staff will be trained by the 22nd month.

3. Implementation Plan

There are no known problems remaining in negotiating and reaching agreement on details of the implementation plan. It should be pointed out, however, that to reach Uvira from Kinshasa is some 10 hours by air (including airport waits and availability of aircraft), plus another four hours by vehicle. To reach Baraka requires an additional four hours to go 50 miles by off-the-road vehicles. It would be unrealistic to assume that implementation roles and responsibilities are well defined, given the tremendous communication problems between Kinshasa and the target area. Consideration to this problem has been given by increasing technical expertise inputs, and relationships and responsibilities seem reasonably well defined.

Some waivers may be requested for fishing gear. While the final commodity list will be prepared by a fish gear expert, a sole source waiver may be sought for Johnson outboard motors (the same brand of motors are being purchased for the UNICEF project). The Mission has standardized on GM vehicles, and these will probably be purchased. EFAR fishing illuminators will probably be procured from a 941 country--India. Fishing nets, lines, hooks, etc., are beyond the expertise of the Mission to determine likely sources, but we assume that they can be obtained from U.S. sources.

4. Monitoring Plan

One reason for the full-time AID co-op expert, as opposed to the Hall report which suggested short-term assistance, is consideration of the difficulties in monitoring this project from Kinshasa. It is anticipated that the project will be monitored on a day-to-day basis by the USAID technician. The USAID project manager plans to make quarterly on-site visits.

5. Evaluation Plan

The evaluation plan calls for a PAR evaluation around the 15th month to assess progress in meeting production, marketing and employment goals. At the end of the project, we expect to undertake another evaluation to determine if these goals were met. Achievement of health objectives will require a special evaluation which will basically duplicate the GOZ Department of Public Health baseline study made in 1974.

6. Logistic Support for USAID Technicians

Logistic support provided by AKU--housing, transportation, etc.--is expected to be timely and in good quality. AKU operates C-130 cargo aircraft between Kinshasa and Bukavu, which may be available to move project commodities on a priority basis.

Logistic support provided by COPELAZ is expected to be available, but only in fair quality and quantity. Until the project vehicles are available, it is expected that some difficulty will be experienced in obtaining transportation for the USAID technician, but this should not affect project performance.

In general, items in short supply in Uvira, e.g., gasoline, are available from AKU when they are available.

7. Contracts

The TDY fish gear expert is expected to be recruited from a 211(d) institution. A member of the Hall team who is familiar with the project would be a likely candidate.

The co-op expert--preferably with fish experience--will be recruited. Preference is for direct-hire staff or a personal services contract. The difficulty in finding an expert in co-op management and marketing that speaks either Swahili or French outweighs any preference as to type of contracting arrangement.

8. Issues

None.

C. EVALUATION ARRANGEMENTS

Evaluation of the project in the form of PARs will be undertaken by the USAID, COPELAZ and UNTZA at the 15th month and at the end of the project to determine progress in achieving project goals. A post facto special evaluation will also be undertaken towards the end of the project by the Department of Health to assess the question of the availability and use of protein as a result of this project being provided to malnourished, low-income families in the target area.

Project baseline data are available from the Hall report and a Department of Health study completed in 1974.

Good quality data on the fish catch, sales, fish habits, etc., will begin to be collected at the start of the project by IRSAC. Both IRSAC and the USAID co-op expert will install data collection systems within COPELAZ. By the sixth month of the project, it is anticipated that reasonably good data will be collected on a regular basis.

Procedure, scope, funding, etc., arrangements for the special evaluation are expected to be arranged during the implementation of the project. The USAID has a long-term interest in the development of a fishing industry on Lake Tanganyika, and any baseline studies (including the evaluation of this project) need careful structuring for obtaining results which are broadly useful.

PKF Approval Table

ANNEX A

UNCLASSIFIED

CONTROL 9560 24 SEP 75

SEP 24 1975

ACTION AID-6
INFO CHARGE ECON RE-POL CHRON 10/RC

F R 232200Z SEP 75

FM SECSTATE WASHDC
TO RUTAVC/ANEMBASSY KINSHASA PRIORITY 3357
INFO RSA/IAJ/ANEMBASSY ABIDJAN 5910

BT

UNCL/

STATE 226785

AIDAC

E.O. 11652: N/A

JAGS:

SUBJECT: PROJECT DESIGN REQUIREMENTS

REFS: (A) KINSHASA 7701; (B) GUARDIANO TO GRIFFITH LTR,
DID 3/10/75; (C) CWA-USAID TELCON, 9/10/75; (D) STATE
LDS266; (E) KINSHASA 8275

1. DURING MISSION DIRECTOR'S CONSULTATION, TWO MEETINGS
HELD WITH AFRODS ON USAID'S PROJECT DESIGN REQUIREMENTS.
THIS RECORDS OUTCOME THOSE MEETINGS AND WILL SERVE AS
BASIS FOR FUTURE CORRESPONDENCE ON PROJECT DESIGN.
PROJECTS DISCUSSED IN RANKED ORDER SET FORTH IN REF (B).

2. FY 76

1. COUNTRY SUPPORT. AID/W APPRECIATES POINTS MADE IN
REF (B) WHICH SPENCER REAFFIRMED. HOWEVER, CAN NOT GO
FORWARD WITH PROJECT IN FY 76 FOR REASONS PRESENTED
EARLIER.

2. RISK COGS. SINCE PROJECT TOTAL LESS THAN DOLS
\$40,000. USAID SHOKVD PROCEE
TENTH PP REFERRED TO IN
REF (B). DESIGN MANPOWER: MISSION DIRECTOR FELT USAID
HAS STAFF RESOURCES TO IMPROVE/MODIFY AKW'S PRODUCE
FOR TRANSMITTAL TO AID/W. DOCUMENTATION TARGETS RECEIVED
IN AID/W OCTOBER; REVIEWED NOVEMBER.

3. NORTH SHABA RD. SEPARATE PROJECT COMMITTEE MEETING
HELD TO REVIEW URBAN PAPER. COMMENTS BEING TRANSMITTED

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USAID/ZAIRE

ACTION	INFO
<input checked="" type="checkbox"/>	DIR
<input checked="" type="checkbox"/>	PR
<input type="checkbox"/>	CO
<input type="checkbox"/>	CP
<input type="checkbox"/>	F&A
<input type="checkbox"/>	CAMO
<input type="checkbox"/>	

Action Due:

9/25/75

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UNCLASSIFIED

SEPTEL. DESIGN MANPOWER: AID/W DESIGNING TEAM, SUBJECT
SEPTEL. DOCUMENTATION TARGETS: WILL CABLE PROPOSED
SCHEDULING.

D. ENDEMIC DISEASE. ECPR APPROVED FRP. SEPTEL FOLLOWS
WITH COMMENTS. DESIGN MANPOWER: USAID PLUS COMBINATION
COMPER AND ANOTHER T/H ADVISOR AND AFR/DP OFFICER,
BEGINNING O/A LAST WEEK OCTOBER. DOCUMENTATION TARGET:
RECEIVED DECEMBER; REVIEWED JANUARY.

E. HEALTH SYSTEMS. ECPR APPROVED FRP. SEPTEL FOLLOWS
WITH COMMENTS. MANPOWER TIMING: SAME PARA C. ABOVE.

3. FY 77.

A. MANPOWER TRNG. AS DISMISSED REF (C) PROJECT MOVED
TO FY 77. FUNDING FOR DODSON THROUGH IQ UNDER CURRENT
ARRANGEMENT. DESIGN MANPOWER: USAID. DOCUMENTATION
TARGETS: FRP RECEIVED NOVEMBER 15; REVIEWED DECEMBER.

B. HEALTH DEVELOPMENT ZONES. SINCE PROJECT TOTAL LESS
THAN DOLS 500,000, AID/W DISCUSSED WITH SPENCER FACT USAID
TECHNICALLY CAN MOVE ON TO PP, WHICH COULD BE SCHEDULED
FOR RECEIPT IN FOURTH QUARTER (AFTER KENNEDY HAS FEET ON
GROUND). HOWEVER, AID/W STILL REQUIRES KIND OF INFO
FOUND IN FRP BY DECEMBER 31 AS BASIS FOR DECISION OF
WHETHER OR NOT PROJECT SHOULD BE IN FY 77 CP. SUGGESTION
MADE THAT IF DESIGN TEAM CAN BE RECRUITED IN TIME (EARLY
DECEMBER AT LATEST), THEY COULD CABLE INFORMATION BEFORE
DECEMBER 31 WHICH WOULD ENABLE AID/W MAKE GO OR NO GO
DECISION. DURING TDY PERIOD, TEAM COULD PERFORM MAJOR
WORK REQUIRED FOR PP AND LEAVE DRAFT PP FOR KENNEDY TO
REVIEW DURING THIRD QUARTER. DRAFT COULD ALSO BE PROVIDED
TO AID/W FOR PROJECT COMMITTEE REVIEW WITH FEEDBACK TO
KENNEDY. WELCOME YOUR REACTION. DESIGN MANPOWER:
KENNEDY, CROSS, SHOEMAKER MEETING TO DETERMINE TDY REQUIRE-
MENTS PLUS USAID. DOCUMENTATION TARGETS: INFORMATION FOR
DECISION ON FY 77 CP BY DECEMBER 31; PP RECEIVED AND RE-
FILED FOURTH QUARTER.

C. AG ECON. AS REQUESTED REF (C), DESK RAISED
POSSIBILITY EXTENDING PROJECTS THROUGH FY 77. AID/W
DECISION TO PROCEED AS ORIGINALLY PLANNED, E.G., FY 76
FINAL YEAR OF FUNDING AND START AG ECON IN FY 77. THIS
POSITION REINFORCED BY EXERCISE UNDERWAY (DISCUSSED WITH

UNCLASSIFIED

PAGE 3 STATE 226785

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SPENCER; COPY OF MEMO POUCHED TO GUARDIANO TO TERMINATE ONGOING GRANT PROJECTS ACCORDING TO ORIGINAL SCHEDULE AND DATES CITED FY 76 CP AND FY 77 ABS. DESIGN MANPOWER: USAID PLUS ONE OR TWO TDYERS AID/W IN PROCESS OF IDENTIFYING. DOCUMENTATION TARGET: PRP RECEIVED NOVEMBER 15, REVIEWED DECEMBER.

D. GRAIN MARKETING. GIVEN (A) NATURE AND EXTENT OF ISSUES INVOLVED; (B) KSU STUDY UNDER REVIEW; AND (C) INABILITY TO RECRUIT QUALIFIED TEAM IN SUFFICIENT TIME TO PRODUCE PRP BY NOVEMBER 15, PROJECT 069 DEFERRED TO FY 78. MISSION DIRECTOR CONCURRED. HOWEVER, TRAINING REQUIREMENTS CAN BE IDENTIFIED IN ADVANCE AND CONSIDERED FOR AFR/RA TRAINING PROJECT OR 050 FUNDING. ALSO, IF PATTINSEN CONTRACT CONSUMMATED, WORK ON KEY ACTIVITIES ULTIMATELY TO BECOME PART OF PROJECT CAN STAR NOW. DESIGN MANPOWER: USAID. DOCUMENTATION TARGET. WILL ADVISE FY 78 SCHEDULE WHEN AVAILABLE (IN INTERIM, AWARE USAID WISHES MOVE FORWARD WITH DESIGN EFFORT, UTILIZING USAID RESOURCES.)

E. URBAN MCH/FP. DESIGN MANPOWER: USAID (ROBERTSON) PLUS POSSIBLE TDY ASSISTANCE CURRENTLY UNDER REVIEW BY ROBERTSON. DOCUMENTATION TARGETS: PRP BY NOVEMBER 15, REVIEWED DECEMBER.

F. INERA SUPPORT. RESULTS OF TELCON WILL FOLLOW SEPTEL RE REF CD. DESIGN MANPOWER: RESULTS OF FINDINGS WITH ROCKEFELLER AND AVAILABILITY TAG AG AG RESEARCH STAFF WILL HAVE BEARING ON ABILITY TO PROVIDE ASSISTANCE TO USAID FOR FRI. WILL ADVISE ASAP. DOCUMENTATION TARGET: PRP BY NOVEMBER 15, IF FEASIBLE. REVIEWED DECEMBER. (IF UNABLE MEET NOVEMBER 15 DATE, WE MAY SEEK SPECIAL EXEMPTION FOR PROJECT TO BE CONSIDERED LATE IN YEAR BECAUSE OF PROPOSED TABLE XII.)

G. RURAL TRAINING (IBRD). MISSION DIRECTOR AGREED TO CABLE AID/W WITH DECISION ON WHETHER OR NOT TO PROCEED WITH PROJECT AFTER REVIEWING PROPOSAL WITH DOSON.

H. RIVER TRANSPORT. LOAN POSTPONED TO FY 78 BECAUSE OF SLIPPAGE AND TIME REQUIRED TO PERFORM FEASIBILITY STUDY.

I. CIP. WILL BE SUBJECT OF FUTURE MESSAGES.

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PAGE A STATE 226785

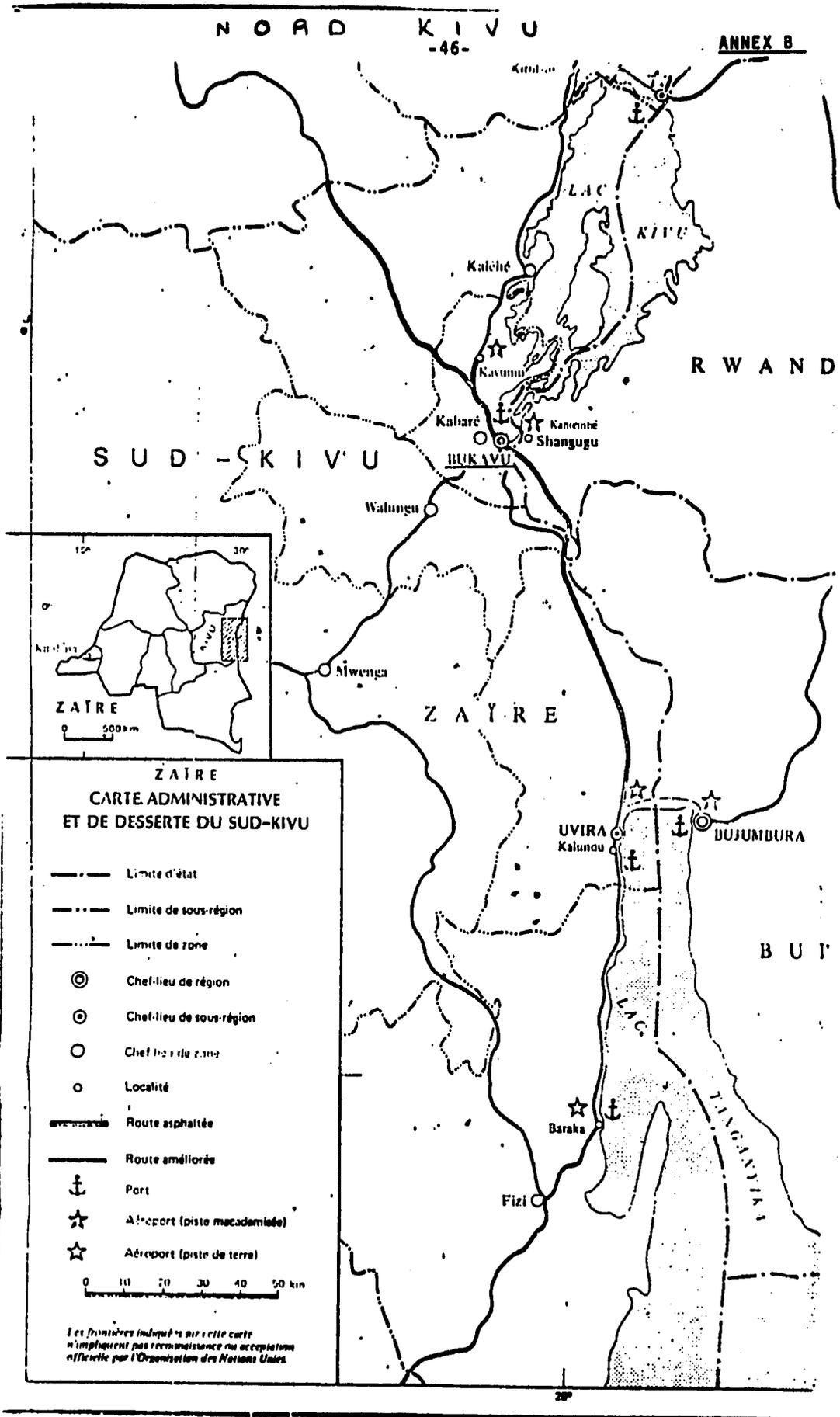
UNCLASSIFIED

4. PER REF (D) PARA 5, AID/W PUNCHING PROJECT COMMITTEE COMMENTS ON NEW PROJECTS AS THEY BECOME AVAILABLE. EXPECT CABLE DIALOGUE TO EMERGE ON INDIVIDUAL PROJECTS ABOVE AS WORK PROGRESSES ON DOCUMENTATION.

3. AS AGREED WITH SPENCER, PLEASE CABLE QUESTIONS OR DIFFERENCES WITH ABOVE INFORMATION SO CAN NAIL DOWN SCHEDULING. ROBINSON

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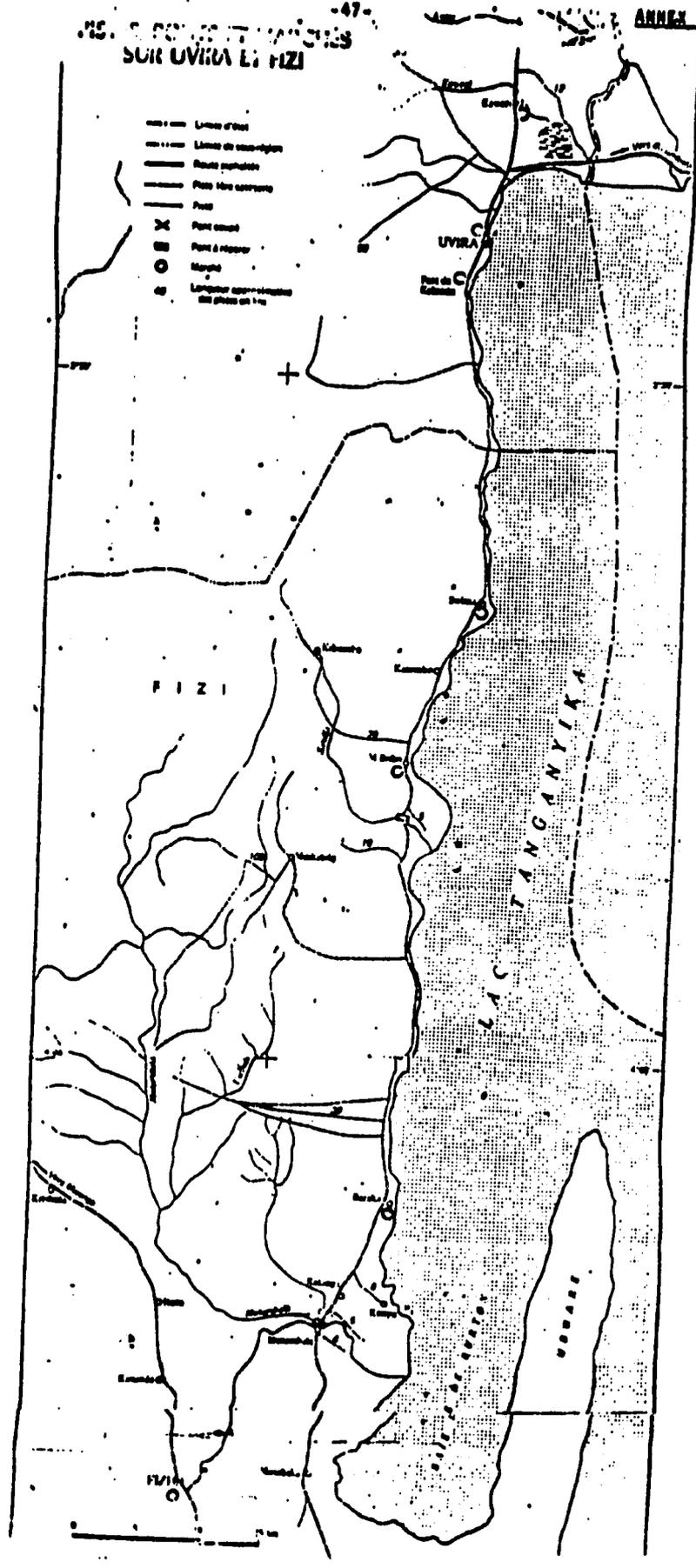
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ANNEXE C
 SUR UVIRA ET FIZI

ANNEXE C

- Limite d'état
- Limite de sous-région
- Route principale
- Route secondaire
- Pont
- Pont éclusé
- Pont à péage
- Marais
- Longueur approximative des ponts en 1960



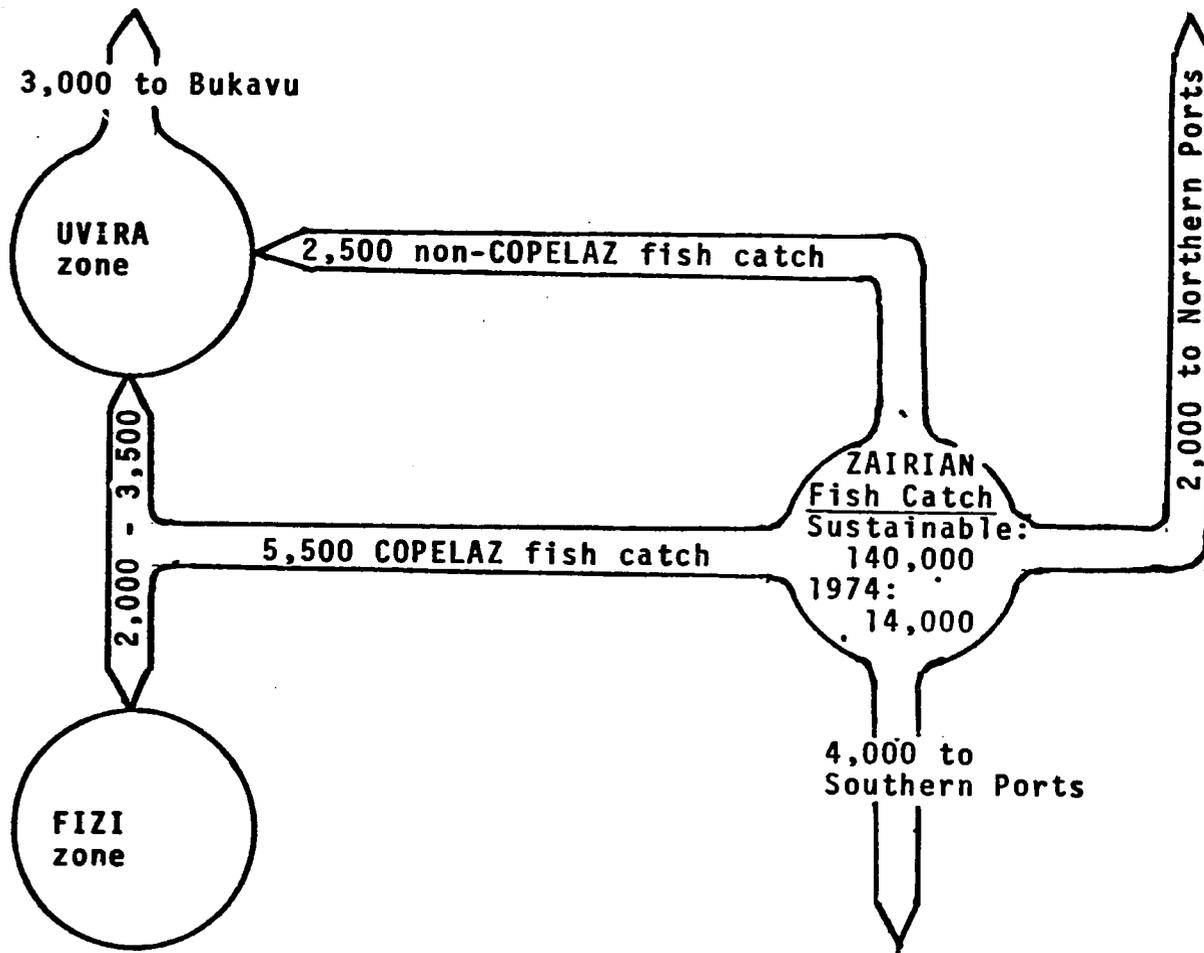
ANNEX D

CHARACTERISTICS OF LAKE TANGANYIKA - 1973

<u>Location:</u>	Burundi, Tanzania, Zaire, Zambia 3°23' - 8°50' S; 29° - 31° E
<u>Altitude:</u>	773 m
<u>Surface Area:</u>	Burundi 2 600 km ² (8%) Tanzania 13 500 km ² (41%) Zaire 14 800 km ² (45%) Zambia 2 000 km ² (6%) Total 32 900 km ²
<u>Depth:</u>	1 435 m (max); 700 m (mean)
<u>Volume:</u>	18 940 x 10 ⁹ m ³
<u>Maximum length:</u>	673 km
<u>Maximum width:</u>	48 km
<u>Shoreline length:</u>	1 500 km
<u>Major inflowing rivers:</u>	Malagarasi, Ruzizi
<u>Outflowing rivers:</u>	Lukuga
<u>Catchment area:</u>	249 000 km ²
<u>Total annual catch:</u>	Burundi 16 000 t Tanzania 44 468 t Zaire 14 000 t Zambia 5 800 t Total 80 268 t
<u>Estimated maximum sustained yield:</u>	Burundi 21 000 t Tanzania 122 000 t Zaire 138 000 t Zambia 19 000 t Total 300 000 t
<u>Number of fish species:</u>	214, of which 134 belong to the family Chichlidae

ANNEX E

Estimated Annual Flow of Fish Catch from
Zairian Waters of Lake Tanganyika - 1974 in tons



CLASSIFICATION

UNCLASSIFIED

-49-

KINSHASA

PRINTED 6-67

UNCLASSIFIED

CLASSIFICATION

AID-5-59A (1-62)

ANNEX F

PLANNED COPELAZ MARKETING AND COOPERATIVE FACILITIES

A. Fish Sales Stations

<u>Name of Village</u>	<u>Distance from Uvira (km)</u>
	<u>North</u>
Kiliba	15
Sange	30
Luberizi	39
Kamaniola	70
Luvingi	50
Nyangezi	101
	<u>South</u>
Makobola	25
Mboko	45
Baraka	95

B. COPELAZ Coop Stores

Baraka
Mboko
Uvira

C. Fish Storage Depots

Not identified, but four locations planned

D. Fish Drying Stations

<u>Name of Village</u>	<u>Enclosed</u>	<u>Open</u>	<u>District</u>
Baraka	x		Fizi
Mboko	x		"
Uvira	x		Uvira
Kavinira		x	"
Mulongue		x	"
Kasenga		x	"
Kalundu		x	"
Kalungue		x	"
Kabimba		x	"
Katongo		x	"
Kigongo		x	"
Makobola I		x	"
Makobola II		x	Fizi
Kaekezi		x	"
Munene		x	"
Kake		x	"
Kabumbe		x	"
Kabumba		x	"
Katungulu		x	"
Lusenda		x	"
Mkolwe		x	"
Lubumba		x	"
Lueba		x	"
Baraka		x	"

ANNEX G

ESTIMATED PROJECT INCOME GENERATION - 5 YEARS
(\$000)

1st YEAR

<u>RECEIPTS.</u>		<u>\$ 628,000</u>
<u>Sales.</u>	\$ 628	
310 days (.5/bx x 75 pirogues + 2/bx x 150 trimarans) \$6/bx		
<u>EXPENDITURES.</u>		<u>(\$ 530)</u>
<u>Crewman Shares.</u>	\$ 343	
(150 trimarans x 9 crew + 75 pirogues x 1 crew) \$20/mo x 12 mo		
<u>Operating Expenses.</u>	\$ 188	
(30% x \$628)		
<u>NET INCOME.</u>		<u>\$ 98,000</u>
<u>Monthly Income/Member.</u>	\$.37/mo	
(98/12 mo x 225 members)		

2nd YEAR

<u>RECEIPTS.</u>		<u>\$ 732</u>
<u>Sales.</u>	\$ 732	
310 days (.5/bx x 75 pirogues + 2/bx x 150 trimarans) \$7/bx		
<u>EXPENDITURES.</u>		<u>\$ 618</u>
<u>Crewman Shares.</u>	\$ 376	
150 trimarans x 9 crew + 75 pirogues x 1 crew) \$22/mo x 12 mo		
<u>Operating Expenses.</u>	\$ 242	
(33% x \$732)		
<u>NET INCOME.</u>		<u>\$ 114</u>
<u>Monthly Income/Member</u>	\$.42/mo	
(\$114/12 mo x 225 members)		

3rd YEAR

<u>RECEIPTS.</u>		<u>\$1,519</u>
<u>Sales</u>	\$1,519	
310 days (.5/bx x 25 pirogues + 3/bx x 200 trimarans) \$8/bx		
<u>EXPENDITURES.</u>		<u>(\$1,102)</u>
<u>Crewman Shares.</u>	\$ 525	
(200 trimarans x 9 crew + 25 pirogues x 1 crew) \$24/mo x 12 mo		
<u>Operating Expenses.</u>	\$ 577	
(38% x \$1,519)		

NET INCOME **\$ 417**
Monthly Income/Member **\$ 155/mo**
 (\$417/12 mo x 225 members)

4th YEAR

RECEIPTS **\$1,709**
Sales **\$1,709**
 310 days (.5/bx x 25 pirogues + 3/bx x
 200 trimarans) \$9/bx

EXPENDITURES **(\$1,321)**
Crewman Shares **\$ 569**
 (200 trimarans x 9 crew + 25 pirogues
 x 1 crew) \$26/mo x 12 mo
Operating Expenses **\$ 752**
 (44% x \$1,709)

NET INCOME **\$ 388**
Monthly Income/Member **\$144/mo**
 (\$388/12 mo x 225 members)

5th YEAR

RECEIPTS **\$1,899**
Sales **\$1,899**
 310 days (.5/bx x 25 pirogues + 3/bx x
 200 trimarans) \$10/bx

EXPENDITURES **(\$1,585)**
Crewman Shares **\$ 635**
 (200 trimarans x 9 crew + 25 pirogues x
 1 crew) \$29/mo x 12/mo
Operating Expenses **\$ 950**
 (50% x \$1,899)

NET INCOME **\$ 314**
Monthly Income/Member **\$117/mo**
 (\$314/12 mo x 225 members)

ASSUMPTIONS

1. Each trimaran's output is 2 boxes of fish (80 kg.) per night during the first two years of the project, after that it rises to 3 boxes of fish. For pirogues, the nightly output remains one-half a box during the project.
2. The COPELAZ fleet consists of 150 trimarans and 75 pirogues during the first two years, and 200 trimarans and 25 pirogues the last three years. Membership is considered static for this exercise.

ANNEX G-3

3. The ex-vessel price of fish is \$6/box during the first year and increases \$1/box each year thereafter.
4. Crewman shares will increase 5 percent annually, beginning at \$20/month.
5. Operating expenses will increase 10 percent annually the first two years and 15 percent thereafter, beginning at 30 percent of gross revenues. Operating expenses stabilize at 50 percent of gross revenues at the fifth year.
6. Members fish 310 days annually.
7. Trimarans have crews of 9 fishermen and pirogues one fisherman.
8. Net income does not include amortization payments for equipment purchased under this project.

ANNEX H

PROJECT BUDGET TABLES
(\$ 000)

A. SUMMARY COST ESTIMATE AND FINANCIAL PLAN

<u>Source</u>	<u>AID</u>		<u>Host Country</u>		<u>Other(s)</u>		<u>Total</u>
	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>	<u>FX</u>	<u>LC</u>	
Use							
- Technical Assistance	115						115
- Commodities (fish gear, vehicles)	264						264
- Construction			35				35
- Equipment/Construction			15				15
- Training			5				5
- Salaries			26				26
- Research			15				15
- In Kind			37				37
Inflation factor	10						10
Contingency	11						11
Total	400		133				533

B. COSTING OF PROJECT OUTPUTS/INPUTS

___New
___Rev #___

Project # 660-056

Title: Fish Coop Expansion

Project Inputs

Project Outputs*

<u>AID Appropriated</u>	<u># 1</u>	<u># 2</u>	<u># 3</u>	<u># 4</u>	<u>TOTAL</u>
--Fishing gear/commodites	194	5	11		210
--Technical Assistance	10	50	50	5	115
--Vehicles		40	14		54
--Contingency/Inflation	7	7	7		21
<u>Other U.S.</u>	-	-	-	-	-
<u>Host Country</u>					
Construction	15	16	4		35
Equipment/Construction	15				15
Training			5		5
Salaries	7	5	14		26
Research			15		15
In Kind	10	10	17		37
<u>Other Donors</u>	-	-	-	-	-
<u>TOTAL</u>	258	133	137	5	533

*Project Outputs

- #1 - COPELAZ fishing fleet modernized
- #2 - Increased fish catch
- #3 - Improved services provided membership by COPELAZ
- #4 - Others

ANNEX I

ITEMIZED EQUIPMENT/TECHNICAL LIST

AID

Fishing gear and much of the equipment is to be selected by a fish gear expert at the beginning of the project. Estimates are illustrative only.

FY 1976.....\$250,000

A. Commodities.....\$145,000

<u>No.</u>	<u>Item</u>	<u>Cost</u>
100	100m ² nets @ \$4/m	\$ 40,000
100	Lamps (16,000 CP)	15,000
100	Lamps (500 CP)	6,000
1	Large truck for fish marketing	20,000
1	Pick-up	7,000
50	Outboard Motors (50 hp) plus spare parts	30,000
var.	Hooks, lines, floats, etc.	700
"	Equipment for mechanics shop	6,300
"	Equipment for research vessel (motor, sonar, depth finder, etc.)	5,000
2	Large motors and equipment for coastal supply boats	5,000
	Inflation/Contingency	10,000

B. Technical Assistance.....\$105,000

1.	18 man-months PSC for Fish Coop management/marketing expert	\$100,000
2.	One man-month fish gear expert from 211(d) institution	5,000

FY 1977.....\$150,000

A. Commodities.....\$140,000

<u>No.</u>	<u>Item</u>	<u>Cost</u>
100	100 meter nets at \$4 meter	\$ 40,000
100	Lamps (16,000 CP)	15,000
100	Lamps (500 CP)	6,000
1	Large truck for fish marketing	20,000
1	Pick-Up	7,000
50	Outboard Motors (50 hp) plus spare parts	30,000
var.	Hooks, lines, floats, etc.	1,000
	Inflation/Contingency	11,000

B. Technical Assistance..... \$ 5,000

1	man-month fish gear expert from 211 (d) institution	\$ 5,000
---	--	----------

C. Evaluation.....\$ 5,000
 4-5 man-months evaluative services from
 GOZ Department of Health to undertake
 evaluation impact of project on rural
 health status \$ 5,000

Action Kusaidia.....\$ 73,000

A. Construction.....\$ 35,000

No.	Item	Cost
9	Selling stations @ \$250/ea.	\$ 2,250
22	Open fish drying stations @ \$200/ea.	4,400
3	Enclosed fish drying stations @ \$500/ea.	1,500
3	Coop stores @ \$1,200/ea.	3,600
4	Storage depots @ \$2,000/ea.	8,000
	Equip and enlarge Mifusi hull construction facilities	15,000

B. In-Kind Contributions.....\$ 20,000

Housing, transportation and other
 administrative support for AID
 technician \$ 20,000

C. Equipment and Construction.....\$ 15,000
 70 trimarans @ \$200/ea and 35 pirogues
 @ \$75/ea built at Mifusi shipyard

D. Training.....\$ 3,000
 60 man-months of per diem, tuition and
 transport for training of 10 mechanics
 @ \$50/mo.

COPELAZ.....\$ 38,000

A. Training.....\$ 1,800
 60 man-months of salaries and stipends
 for 10 mechanics @ \$30/mo

B. Personnel.....\$ 19,200
 1. 300 man-months of salaries for
 additional hull builders @ \$25/mo \$ 7,500
 2. 36 man-months of salaries for coop
 manager counterparts @ \$100/mo. 3,600
 3. Staff for marketing system, stores,
 mechanics, etc. 8,100

111,000
 17
 128,000
 7
 135,200

C. <u>In-Kind Contributions, Miscellaneous.....</u>	<u>\$ 17,000</u>
1. Office space, administrative support of AID technicians and UNTZa experts	
2. POL and other expenses in marketing of fish	
<u>UNTZa.....</u>	<u>\$ 7,200</u>
<u>Personnel.....</u>	<u>\$ 7,200</u>
36 man-months of salaries/allowances and miscellaneous @ \$200/mo.	
<u>IRSAC.....</u>	<u>\$ 15,000</u>
<u>In-Kind.....</u>	<u>\$ 15,000</u>
Part-time use of research vessel, staff overhead, etc., for implementation of fish info system	

15
7
38
73
132

PROJECT PERFORMANCE TRACKING CHART

<u>Country:</u>	<u>Project No:</u>	<u>Project Title</u>	<u>Date:</u>	/ x / <u>Original</u>	<u>Apprvd:</u>
ZAIRE	660-056	Fish Coop Expansion		/ / <u>Revision #</u>	

CPI DESCRIPTIONUNTZa

1.	01/15/75	Gen'l Mgr and assistant on site
2.	09/15/77	Counterpart Gen'l Mgr and Assistant trained

AID

1.	01/15/76	ProAg and PIO/T signed
2.	02/15/76	Gear expert on site
3.	03/15/76	PIO/Cs prepared; PSC or contract signed
4.	04/15/76	Coop advisor on site
5.	09/15/76	Commodities on site; gear expert back on site; new PIO/Cs prepared; coop credit system installed
6.	12/15/76	100 COPELAZ vessels modernized; 200 additional employees
7.	02/15/77	Fish catch 7,500 t/y
8.	03/15/77	Commodities on site
9.	06/15/77	200 COPELAZ vessels modernized; 400 additional employees
10.	08/15/77	Fish catch 11,000 t/y
11.	09/15/77	Contractor end-of-project report
12.	10/15/77	Evaluation completed

IRSAC

1.	08/15/76	Hull available for AID-furnished gear and research equipment
2.	01/15/77	Fishing information provided COPELAZ on regular basis

AKU

1.	03/15/76	5 mechanics sent training; Misufi section bldg. hulls for project
2.	04/15/76	Housing/support facilities available AID technician
3.	08/15/76	5 mechanics finish training; 5 additional mechanics sent training; COPELAZ repair shop in place
4.	09/15/76	35 trimarans built
5.	11/15/76	4 selling stations, 10 drying racks, 2 coop stores, 2 depots built
6.	01/15/77	5 mechanics finish training
7.	05/15/77	9 selling stations, 22 drying racks, 3 coop stores, 4 depots built

COPELAZ

1.	03/15/76	2 counterparts provided for UNTZa experts; office space/support facilities available AID experts
2.	09/15/77	2 trained COPELAZ managers funded by COPELAZ

ANNEX K

DRAFT PROJECT DESCRIPTION FOR PROJECT AGREEMENT

A. PURPOSE

The purpose of this project is to:

1. modernize the fishing fleet of the Cooperative des Pecheurs du Lac Tanganyika au Zaire (COPELAZ) to increase the quantity of fish caught, provide more employment and increase income to fishermen;
2. improve the quality and availability of fish in protein deficient rural areas of South Kivu and Fizi zones through improved techniques for marketing and processing of fish;
3. increase services provided by COPELAZ to members through the installation of a credit system, better procurement practices, better fisheries information and construction of service infrastructure; and
4. develop within COPELAZ the human and financial resources to manage its own affairs.

B. OUTPUTS

To achieve project purposes the following tasks will be completed:

1. placement of an additional 70 trimarans (for a total of 200) into COPELAZ service. The entire trimaran fleet will be equipped with modern artisanal fishing gear (nets and light attractors), and half the fleet will be motorized;
2. construction of a marketing infrastructure including selling stations, fish drying stations, fish storage depots, vehicles and freight vessels;
3. construction of cooperative stores, establishment of a coop credit system, development of a fisheries information system, operation of a mechanical repair shop and institution of a better price structure for sales of fish; and
4. institutionalization of the management and administration of COPELAZ by its membership.

C. INPUTS

USAID

The USAID will provide technical assistance experts to identify appropriate fishing gear and technology and develop systematic approaches for management of COPELAZ, marketing of fish, credit

ANNEX K-2

systems, procurement program, fishing information and pricing policies.

Fishing gear will be provided for modernizing the COPELAZ fleet, including motorizing a portion of the vessels. Equipment will be provided for equipping a mechanical repair shop and an Institut de Recherche Scientifique en Afrique Central (IRSAC) research vessel. Vehicles will be provided for the marketing of fish and the administration of COPELAZ affairs.

Action Kusaidia (AKU)

AKU will provide housing and general administrative support for USAID technicians. Per diem and tuition allowances will be furnished for COPELAZ mechanic trainees sent for mechanics training.

A marketing infrastructure will be constructed, including selling stations, drying stations and storage depots. Hulls will be provided for coastal freighters to distribute coop supplies and market fish between Uvira and Baraka.

Sufficient trimarans and ancillary pirogues will be built to complete a 200-trimaran fleet and will include expansion of the Mifusi shipyard.

Others

AKU, with USAID assistance, will be responsible for coordinating assistance being provided by the following other donors:

1. COPELAZ will provide highly qualified candidates and their salaries for mechanics training, staffing of the Mifusi shipyard, and counterparts to be trained in coop management and administration. Office space and administrative support will be made available to the USAID technicians and the Union Nationale des Travailleurs au Zaïre (UNTZA) advisors. Adequate facilities will be made available for a mechanical repair shop;
2. UNTZA will continue to provide a general manager and an assistant to manage and administer COPELAZ, and will train COPELAZ counterparts to assume these functions;
3. IRSAC will provide a boat hull, install USAID equipment and gear and operate the research vessel in order to provide fishing information to fishermen;

4. Peace Corps will provide one PCV to assist in the establishment of the COPELAZ mechanical repair shop;
5. ILO will provide vocational training experts to the mechanical training center in Bukavu and the Mifusi shipyard; and
6. UNICEF "Jeunes Pecheurs" project will train fishermen in modern artisanal fishing techniques for ultimate membership in COPELAZ.

D. IMPLEMENTATION RESPONSIBILITIES

AKU will have overall implementation and coordination responsibilities and will collaborate closely with UNTZa, who will be responsible for the day-to-day administration of the project.

AKU is directly responsible for providing the marketing and services infrastructure, construction of boat hulls and waivers of duty payments on project commodities.

The USAID is responsible for the procurement of fishing gear, mechanical shop equipment and vehicles. Technical expertise will be provided in coop management, fish marketing and fish gear. A credit and procurement system will be devised by AID, and any credit schemes involving AID-financed commodities will be managed by AID.

UNTZa is responsible for maximum utilization of AID-financed technicians in the development of project programs. Also, UNTZa will continue to manage and administer COPELAZ, coordinate direct assistance being provided by COPELAZ and train counterparts to assume these functions.

Other donor inputs, such as the Peace Corps and ILO, will be coordinated or provided for by AKU.

E. FY 1976 BUDGET ESTIMATE

<u>USAID Contribution</u>	<u>\$250,000</u>
1. <u>Contract Services</u>	<u>\$105,000</u>
a. 18 man-months for expert in coop management and marketing	
b. One man-month fish gear expert	
2. <u>Commodities</u>	<u>\$145,000</u>
Fish gear, fisheries research equipment, outboard motors, vehicles, mechanics/ shop tools, etc.	

ANNEX K-4

AKU Contribution.....\$ 50,000

1. Construction.....\$ 22,000
Selling stations, fish drying stations, coop stores, storage depots and Mifusi shipyard
2. In-Kind.....\$ 10,000
Housing and administrative support for USAID technicians
3. Equipment and Construction.....\$ 15,000
Program for construction of trimarans and pirogues
4. Training.....\$ 3,000
Per diem and tuition for mechanic trainees

Other Contributions (non-add)

1. COPELAZ: Salaries for mechanic trainees, counterparts, shipyard staff and personnel for marketing/service facilities. In-kind office space and administrative support for USAID and UNTZa personnel (\$25,000).
2. UNTZa: Salaries and allowances for coop manager and assistant (\$4,000).
3. IRSAC: Part-time use of research vessel, hull, installation of equipment, staff, etc., for implementation of fishing information system (\$10,000).
4. Peace Corps: 12 man-months PCV mechanic for COPELAZ (\$5,000).
5. ILO: 24 man-months vocational training experts at Mifusi shipyard and INPP mechanics training center in Bukavu (\$50,000).

ANNEX L

PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK

Life of Project:
From FY 76 to FY 77
Total U. S. Funding \$400,000
Date Prepared: 11/3/75

Project Title & Number: Fish Coop Expansion (660-056)

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>Program or Sector Goal: The broader objective to which this project contributes:</p> <ol style="list-style-type: none"> 1. Reduce protein gap 2. Increase employment 3. Increase incomes 	<p>Measures of Goal Achievement:</p> <ol style="list-style-type: none"> 1. Over 50% of the increased COPELAZ fish catch marketed in target area 2. Employment increased from 1,400 to 1,800 fishermen 3. COPELAZ fish catch increased from 5,500 t/y to 11,000 t/y 	<ol style="list-style-type: none"> 1. Nutritional survey 2. PAR evaluations 	<p>Assumptions for achieving goal targets:</p> <ol style="list-style-type: none"> 1. Income sufficient to buy more fish 2. Non-member fishermen will be willing to work as crew for COPELAZ 3. Stock of fish sufficient for catch proposed
<p>Project Purpose:</p> <p>Establish a self-sustaining fishing coop, with a modern artisanal fleet providing increased services to its members.</p>	<p>Conditions that will indicate purpose has been achieved: End of project status.</p> <ol style="list-style-type: none"> 1. COPELAZ fish catch is 11,000 t/y 2. COPELAZ marketing its fish catch 3. COPELAZ providing members with services such as fish info, credit, supplies, etc. 4. COPELAZ managed with own resources 	<ol style="list-style-type: none"> 1. COPELAZ salary records and membership data 2. IRSAC fish catch data collection 	<p>Assumptions for achieving purpose:</p> <ol style="list-style-type: none"> 1. Coop members have incentive to increase fish catch 2. Coop mgmt/admin staff can be trained or hired in time 3. Marketing/pricing structure for fish can be altered 4. Member income sufficient to repay gear investment 5. PP data reasonably accurate
<p>Outputs:</p> <ol style="list-style-type: none"> 1. Modernized coop artisanal fishing fleet 2. Improved coop fish marketing system 3. Increased services provided coop members 4. Improved management & administration for coop from own resrs. 5. Increased quantity and improved quality of fish available in area 6. Increased employment in target area 	<p>Magnitude of Outputs:</p> <ol style="list-style-type: none"> 1. 200 modernized COPELAZ trimarans 2. 9 selling stations, 22 drying stations, 3 storage depots, vehicles/boats marketing fish. 3. Credit system, mechanic shop 4. 4 coop stores, fish info system in place 	<p>Reports, documents, discussions, etc., of COPELAZ, AKU and USAID</p>	<p>Assumptions for achieving outputs:</p> <ol style="list-style-type: none"> 1. Fishermen willing to use credit 2. Coop leadership can motivate members to act cooperatively 3. Trainees complete training 4. Credit system can be installed in local intermediary 5. AKU capable of building plank/fiberglass hulls
<p>Inputs:</p> <p>USAID</p> <ol style="list-style-type: none"> 1. Contract TA services 2. Commodities <p>AKU</p> <ol style="list-style-type: none"> 1. Construction and equipment 2. Training <p>COPELAZ</p> <p>Trainees and salaries</p> <p>UNTZA</p> <p>Coop experts</p> <p>IRSAC</p> <p>Hull for research boat</p>	<p>Implementation Target (Type and Quantity)</p> <ol style="list-style-type: none"> 1. 20m/m coop mgt/fish gear experts 2. \$285,000 fish gear, vehicles etc. <hr/> <ol style="list-style-type: none"> 1. \$70,000 mktg. & shipbuilding infrastructure 2. \$3,000 support mechanic trainees <hr/> <ol style="list-style-type: none"> 1. 96m/m trainee support & 1,300m/m shipyard salaries 36m/m coop mgmt/admin experts <hr/> <ol style="list-style-type: none"> \$15,000 boat hull & research boat 	<ol style="list-style-type: none"> 1. USAID procurement & personnel records 2. AKU records 3. COPELAZ records 4. UNTZA personnel records 5. IRSAC records 	<p>Assumptions for providing inputs:</p> <ol style="list-style-type: none"> 1. Qualified advisors available in time 2. Commodities available on timely basis 3. Approved AKU budget 4. UNTZA continues support 5. IRSAC facilities will be expanded 6. Counterparts & trainees made available in good quality & on timely basis

ANNEX M

BIBLIOGRAPHY

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15. L. O. Vidaens (FAO), Strategie et Organisation de la Commercialisation et des Circuits de Distribution des Produits de la Peche Artisanale, 1975.
16. Action Kusaidia, Artisanal Fish Product Project - the Lake Tanganyika, August 1975.

ANNEX N

PROJECT FEASIBILITY INDICATORS
(\$ 000)

YEAR	COSTS				BENEFITS	DISCOUNT FACTOR	
	Salaries	Operational Expenditures	Donor Input	Total Costs	Income	8%	12%
1976	343	188	390	921	628	0.926	0.893
1977	376	242	150	768	732	0.857	0.797
1978	525	577	-	1,102	1,519	0.794	0.712
1979	569	752	-	1,322	1,709	0.735	0.636
1980	<u>635</u>	<u>950</u>	<u>-</u>	<u>1,585</u>	<u>1,899</u>	<u>0.681</u>	<u>0.567</u>
TOTAL	2,448	2,709	540	5,698	6,487	3.993	3.605

YEAR	PRESENT WORTH - 8%		INTERNAL RATE OF RETURN - 12%	
	Costs	Benefits	Costs	Benefits
1976	853	582	822	561
1977	658	627	612	583
1978	825	1,206	785	1,082
1979	972	1,256	841	1,087
1980	<u>1,079</u>	<u>1,293</u>	<u>899</u>	<u>1,077</u>
TOTAL	4,437	4,964	3,959	4,389

BENEFIT-COST RATIO.....1.12
NET PRESENT WORTH.....\$527
INTERNAL RATE OF RETURN..... 12%
NET PRESENT WORTH AT IRR \$ 43

Kinshasa, le OCT. 1 1975



PRÉSIDENCE DE LA RÉPUBLIQUE

—
Action KUSAIDIA
CONSEIL - SUPÉRIEUR
B. P. 9841

PRES/AKU/DG/KING/331/75.

OBJET: Envoi d'une équipe
au Sud-Kivu.

A Monsieur Fernino Spencez
Directeur de l'A.I.D.
Ambassade U.S.A.
KINSHASA

Monsieur le Directeur,

En référence à votre lettre du 1 Oct. 1975, nous vous invitons avec enthousiasme d'envoyer votre équipe au Sud-Kivu.

Il est espéré que le résultat de cette mission soit une décision favorable et prompte dans le cadre de notre projet bilatéral de développer la pêche au Lac Tanganyika.

Le Chef d'Etat-Major Particulier du Président
BABIA ZONGBI MALOBIA
Général de Division
Président de l'Action Kusaidia



Itinéraire provisoire

Voyage du Citoyon "ANGIINDULA-LUBAKI et de Monsieur WALTER E. POPP agents de l'USAID.

Objet de voyage: Projet d'assistance Coopolaz sous les auspices de la Présidence (P-800); pour consultation avec responsables locaux et observations des opérations actuelles de la Coopolaz.

L'itinéraire indiqué ci-dessous a été proposé par USAID le premier Octobre 1975.

Dimanche 5 Octobre, départ de Kinshasa à 5 heures, arrivée à Bukavu par Air-Zaire à 12 h.55'/Bukavu: nuit/Bukavu.

Lundi 6 Octobre, consultations Bukavu: voyage à Uvira: nuit/Uvira.

Mardi 7 Octobre, consultations et observations: nuit/Uvira.

Mercredi 8 Octobre, consultations avec experts de FAO (Projet de recherche au lac Tanganyika): nuit/Uvira.

Jeudi 9 Octobre, voyage par route à Baraka pour consultations et observations: nuit/Baraka.

Vendredi 10 Octobre, voyage Baraka à Uvira déjeuner à Uvira: voyage à Bukavu: nuit/Bukavu.

Samedi 11 Octobre, voyage d'agrément à Coma: nuit/Coma.

Dimanche 12 Octobre, retour de Coma à Bukavu: nuit/Bukavu.

Lundi 13 Octobre, retour de Bukavu à Kinshasa par Air-Zaire.



STATUTORY CHECKLIST - GRANTS

Relations with the United States

1. FAA § 620 (c). Is the government indebted to any U.S. citizen for goods or services furnished or ordered where:

(a) such citizen has exhausted available legal remedies, including arbitration, or

(a) No.

(b) the debt is not denied or contested by the government, or

(b) No.

(c) the indebtedness arises under such government's or a predecessor's unconditional guarantee?

(c) No. Zaire has substantial short-term debts to various private American banks and Ex-IM Bank and is in arrears in payments on some of its loans. However, the GOZ and IMF have recently agreed on a stabilization program, including provisions for ensuring satisfactory payment of Zaire's debts.

2. FAA § 620 (e) (1). Has the country's government, or any agency or subdivision thereof:

(a) nationalized or expropriated property owned by U.S. citizens or by any business entity not less than 50% beneficially owned by U.S. citizens,

(a) Mobile and Texaco were nationalized in 1973; however negotiations are in progress to settle these claims.

(b) taken steps to repudiate or nullify existing contract or agreements with such citizens or entity, or

(b) Not as far as is known.

(c) imposes or enforced discriminatory taxes or other exactions, or restrictive maintenance or operation conditions? If so, and more than six months have elapsed since the government, or appropriate agency or sub-division thereof, has taken steps to discharge its

(c) No.

obligations under international law toward such citizen or entity? If less than six months has elapsed, what steps, if any, has it taken to discharge its obligations?

3. FAA § 620 (j). Has the country permitted or failed to take adequate measures to prevent the damage or destruction by mob action of U.S. property, and failed to take appropriate measures to prevent a recurrence and to provide adequate compensation for such damage or destruction? No.
4. FAA § 620 (i). Has the government instituted an investment guaranty program under FAA 21(b)(1) for the specific risks or inconvertibility and expropriation or confiscation? No.
5. FAA § 620 (o): Fisherman's Protective Act of 1954, as amended, Section 5. Has the country seized, or imposed any penalty or sanction against, any U.S. fishing vessel on account of its fishing activities in international waters? If, as a result of a seizure, the USG has made reimbursement under the provisions of the Fisherman's Protective Act and such amount has not been paid in full by the seizing country, identify the documentation which describes how the withholding of assistance under the FAA has been or will be accomplished. No.
6. FAA § 620 (q). Has the country been in default, during a period in excess of six months, in payment to the U.S. on any FAA loan? No.
7. FAA § 620 (t). Have diplomatic relations between the country and the U.S. been severed? If so, have they been renewed? No.

8. App. § 106. Describe any attempt made by the country to create distinction because of race or religion in granting personal or commercial access or other rights otherwise available to U.S. citizens generally. None.

Relations with Other Nations and the UN

1. FAA § 620 (i). Has the country been officially represented at any international conference when that representation included planning activities involving insurrection or subversion directed against the U.S. or countries receiving U.S. assistance? No, as far as is known.
2. FAA ~~XX~~ § 620 (a), 620 (n); App. ~~SS~~ § 107 (a), 107 (b), 116. Has the country sold, furnished or permitted ships or aircraft under its registry to carry to Cuba or North Viet-Nam items of economic, military, or other assistance? No.
3. FAA § 620 (u); App. § 114. What is the status of the country's UN dues, assessments, or other obligations? UNDP reports that Zaire is not in arrears with its UN dues, assessments, or other obligations.

Military Situation

1. FAA § 620 (i). Has the country engaged in or prepared for aggressive military efforts directed against the U.S. or countries receiving U.S. assistance? No, as far as known.

2. FAA § 620 (s). What is (a) the percentage of the country's budget devoted to military purposes, and (b) the amount of the country's foreign exchange resources used to acquire military equipment? Is the country diverting U.S. development assistance or P.L. 480 sales to military expenditures? Is the country diverting its military expenditures?

(Findings on each questions are to be made for each country at least once each fiscal year and, in addition, as often as may be required by a material change in relevant circumstances.)

(a) Exact figures are not known because some military expenditures are made out of the budget of the Presidency. However, according to the annual report of the Central Bank of Zaire, 13.9% of public expenditures in 1974 was for military purposes.

(b) No figures are available on foreign exchange resources spent on military equipment. U.S. development assistance or P.L. 480 funds are not used for military expenditures as far as is known.