PD-AAL-025-B1

PROJECT APPRAISAL REPORT (PAR)

1. PROJECT NO.	2. PAR FOR PERIOD	3. COUNTRY	4. PAR SERIAL NO.
663-11-190-172	6/74 TO 7/76	ETHIOPIA	77-2

5. PROJECT TITLE

AGRICULTURAL SECTOR PLANNING

6. PROJECT DURATION	7. DATE LATEST PROP	8. DATE LATEST PIP	9. DATE PRIOR PAR
Began FY 1974 Ends FY 1976	Rev.2: 11/28/75	N/A	11/5/74

10. U.S. FUNDING	a. Cumulative Obligation Total FY: $ 484,000	b. Current FY Estimated Budget: $ N/A	c. Estimated Budget to completion After Current FY: $ N/A

11. KEY ACTION AGENTS (Contractor, Participating Agency or Voluntary Agency)

a. NAME	b. CONTRACT, PASA OR VOL. AG. NO.
N/A	

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

A. ACTION (X) USAID	AID/W	HOST	B. LIST OF ACTIONS	C. PROPOSED ACTION COMPLETION DATE
			All actions noted in PAR 75-2, I.B. are complete. No additional action required.	

Transferable Lessons Learned

Should future assistance be extended in support of Ministry of Agriculture and Settlement development planning capability, efforts should be made to avoid problem areas which have surfaced in the past and which are noted below:

1. The institutional viability of planning agencies involved should be studied, along with their relationship to the central Planning Commission. The host government should be effectively committed and prepared to provide the support necessary for achievement of project purpose.

2. Disparate salary levels between the Ministry of Agriculture and Settlement/Planning and Programming structure and other agencies and semi-autonomous departments should be studied to determine their potential effect on project activities.

(continued on next page)

12. REPLANNING REQUIRED REVISED OR NEW	13. DATE OF NEXT REVIEW
☐ PROP ☐ PIP ☐ PAR AG ☐ PIO/T ☐ PIO/C ☐ PIO/P	

PROJECT MANAGER: TYPED NAME, SIGNED INITIALS AND DATE	MISSION DIRECTOR: TYPED NAME, SIGNED INITIALS AND DATE
Peter W. Shirk, [signature] 1-12-77	Princeton N. Lyman [signature] 1/14/77

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A. ACTION (X) USAID	A. ACTION (X) AID/W	A. ACTION (X) HOST	B. LIST OF ACTIONS	C. PROPOSED ACTION COMPLETION DATE
			(Continued from page 1)	

The following recommendations, although related to assistance programs directed toward development planning, are of a more general nature and should be applicable to a broad range of project activities.

3. Additional safeguards should be studied, for incorporation into participant training programs, which will help to insure return and effective utilization of completed participants.

4. Without a complete and up-to-date logical framework effective project evaluation is undermined. Thorough project design should be seriously undertaken incorporating quantitative and time phased indicators showing as clearly as possible the process through which inputs emerge into outputs and arrive at the desired EOPS.

K. REPLANNING REQUIRED REVISED OR NEW: ☐ PROP ☐ PIP ☐ PRO AG ☐ PIO/T ☐ PIO/C ☐ PIO/P	K. DATE OF MISSION REVIEW
PROJECT MANAGER: TYPED NAME, SIGNED INITIALS AND DATE: Peter W. Shirk	MISSION DIRECTOR: TYPED NAME, SIGNED INITIALS AND DATE: Princeton N. Lyman

PROJECT NO.	PAR PERIOD	COUNTRY	PAR SERIAL NO.
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II. PERFORMANCE OF KEY INPUTS AND ACTION AGENTS

A. INPUT OR ACTION AGENT — CONTRACTOR, PARTICIPATING AGENCY OR VOLUNTARY AGENCY	B. PERFORMANCE AGAINST PLAN: UNSATISFACTORY 1 2	SATISFACTORY 3 4 5	OUTSTANDING 6 7	C. IMPORTANCE FOR ACHIEVING PROJECT PURPOSE (X): LOW 1 2	MEDIUM 3 4	HIGH 5
1. Agricultural Economist (Project Evaluation) - Charles T. Hash		X			X	
2.						
3.						

Comment on key factors determining rating

See Annex I, page 1

4. PARTICIPANT TRAINING	1	2	3	4 X	5	6	7	1	2	3	4 X	5

Comment on key factors determining rating

See Annex I, page 1

5. COMMODITIES N/A	1	2	3	4	5	6	7	1	2	3	4	5

Comment on key factors determining rating

6. COOPERATING COUNTRY		1	2 X	3	4	5	6	7	1	2	3	4	5 X
	b. OTHER		X										X

Comment on key factors determining rating

See Annex I, page 2

7. OTHER DONORS	1	2	3	4	5 X	6	7	1	2	3	4 X	5

(See Next Page for Comments on Other Donors)

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

See Annex I, page 4

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					
		CUMULATIVE PRIOR FY	CURRENT FY TO DATE	CURRENT FY TO END	FY ____	FY ____	END OF PROJECT
See Annex II, A & B	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						
	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						
	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						
	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						

B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS	COMMENT:
1. Planning and Evaluation by PPD	The planning responsibility of PPD has declined during the last two years. Activities have been primarily devoted to ad hoc assignments oriented largely toward determining the status of one component or another of the agricultural sector.
2. Agricultural Studies Surveys/PPD	PPD serves no functional role in the coordination of Ministry of Agriculture and Settlement development strategy. At the onset of the preparation of the MPP Phase II design, PPD was designated as a major contributor. However, responsibility for MPP II development planning by PPD was withdrawn as EPID assumed the major design responsibility.
3.	

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IV. PROJECT PURPOSE

A. 1. Statement of purpose as currently envisaged. 2. Same as in PROP? ☒ yes ☐ no

Assist those GOE central ministeries and agencies engage in planning Ethiopia's agricultural and integrated rural development effort for the Fourth Five Year Plan (FFYP) period, with particular reference to programming, management and evaluation, as well as manpower development.

a. 1. Conditions which will exist when above purpose is achieved.	2. Evidence to date of progress toward these conditions.
1. Planning by GOE, and AID and other donors for integrated rural development as the core strategy prepared for implementation during FFYP. 2. Increased GOE capacity to identify and prepare sound program and project proposals. 3. Improved budget development and execution system installed in MOAS and other affiliated agencies. 4. Increased number of trained Ethiopians engaged in agricultural and rural development programs and activities.	Annex II, A & B

V. PROGRAMMING GOAL

A. Statement of Programming Goal

Sector Goal - Assist the GOE in planning, implementation and evaluation of rural and agricultural development programs and projects during the FFYP period.

Project Goal - Support the GOE in a year of planning the development of Ethiopia's agricultural potential for the FFYP period within the now developing GOE strategy framework for the FFYP.

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

There is, at present, no Ethiopian government five year plan or agricultural production plan. A fourth five year plan was to have been prepared outlining development objectives for the FY 1975/79 period. However, the plan was never published due to the recent political changes that have occurred within Ethiopia. (See Annex II, A).

II.1 - INPUT OR ACTION AGENT

Comment:

The contract termination date of the final OPEX technician (listed above) funded through ASP was September 1976. The contract employee's duties, as stated in his contract with the host government in summary, consisted of reviewing, re-organizing, and evaluating projects and programs of the various departments within the Ministry of Agriculture and Settlement. Dr. Hash's responsibilities as an employee of PPD were primarily executed through collaborative advisory participation with fellow PPD and Ministry staff, as assigned, relative to selected development and statistically oriented activities, rather than through unilateral, individually conducted research or reports (see file OPEX Personnel; HASH, Charles T.). However, because of the contraction of PPD due to declining personnel levels and major agricultural policy decisions being determined without PPD participation, Dr. Hash's assigned responsibilities did not have the impact originally intended on sector wide agricultural planning activities or the expansion of PPD. Dr. Hash was assigned to PPD with the intent of improving its capability, unfortunately during a period of changing GOE priorities which, in part, resulted in diminished support to, and declining capability of PPD (see Item 6, Cooperating Country).

II.4 - PARTICIPANT TRAINING

Comment:

Ten (10) M.S. degree programs and three (3) short-term training programs were initiated thru ASP during life of project. Five (5) M.S. degree programs were funded as continuing participants from other projects. All the short-term and three (3) of the long-term participants have completed their training programs within the usual participant training time schedule. The remaining participants are on schedule and are expected to complete their training during FY 1977. The three (3) long-term participants who have completed their training programs should have returned to Ethiopia and assumed posts within their sponsoring ministries. To date none of the three (according to our information) have departed the United States. The three (3) short-term participants are currently employed in the Ministry of Agriculture and Settlement.

II.6 - COOPERATING COUNTRY

Comment:

a. Personnel

During the last two years, following a revolution and instituting of a new government, the development policy of the GOE has been in the process of emergence. Notable changes have taken place within the new Government which have resulted in significant movement of personnel. The Ministry of Lands and Settlement has merged with the Ministry of Agriculture and Forestry, resulting in a complete change of leadership. Four individuals have served as head or acting head of PPD since the last project appraisal was conducted. There has been a shifting of personnel out of PPD and into other agencies of the Ministry of Agriculture and of the GOE. These people have not been replaced. Further, most of the expatriate technical assistance staff members left PPD upon termination of their contracts and also have not been replaced. As present, PPD has approximately 50% of the minimum high-level personnel required to undertake effectively it's responsibilities.

Disparities in salary levels among departments and units within the Ministry of Agriculture and other agencies of the GOE have been a primary contributor to the shifting of staff from PPD. Salary level ceilings for PPD personnel are lower than, for example, those in the Extension and Project Implementation Department (EPID) of the Ministry of Agriculture and Settlement. The flow of qualified personnel from lower to higher paying positions, certainly a predictable activity, will continue to erode the technical expertise in agencies like PPD (in the absence of a freeze on personnel transfers or equity in salary levels) and render them operationally impotent (see Annex II, page 6).

b. Other

An additional and more fundamental problem, which has directly resulted in the decline in PPD's effectiveness, can be identified as insufficient ministerial support. PPD's declining personnel levels notwithstanding, there has been no formal mandate from policy making levels within the Ministry for establishment and maintenance of effective program planning and coordination linkages between PPD and other departments and units. Planning and programming activities have been conducted within the various components of the Ministry of Agriculture independently and generally to the exclusion of PPD. Coordination of these plans into a general framework for a sectoral strategy, if done at all, is performed on an ad hoc basis without assistance from PPD (see proposal for Reorganization of PPD, dated December 22, 1975).

II.7 - OTHER DONORS

Comment:

Agricultural Sector Project design as outlined in the interim PROP providing initial support to the planning capability of the GOE did not include monetized support via donors other than USAID. Other donor agencies, however, were identified as assisting various ongoing and proposed activities which were to be included in the Ethiopian integrated rural development strategy, then expected as part of the FFYP. Since then, other donor assistance has been provided to PPD. Presently, two IBRD funded expatriate technical experts are assigned to the Statistics Division, and one agronomist, provided by the Federal Republic of Germany is assigned to the Planning and Evaluation Division.

A. BACKGROUND

The Agricultural Sector Planning (ASP) Project was conceived with the overall objective of assisting the Imperial Ethiopian Government (IEG) in agricultural planning at the national and local level. Given the absence of significant studies plus delays in basic GOE policy decisions at the time the PROP was to be prepared, the decision was reached to issue an interim PROP. The initial interim PROP was intended as "an assistance vehicle during a preparatory year (FY 1974) of analysis, planning and decision making by the IEG, AID and other donors". It was also to serve the function of providing a "bridge between AID assistance under the[1/] Agricultural Advisory Services Project - 111, and the subsequent AID assistance in rural development to be provided during the Fourth Five Year Plan (FFYP) period". Within one year a major revision of the original interim PROP for ASP was to be prepared specifically delineating USAID's participation in development assistance in accordance with the emerging strategy of the FFYP. That strategy was expected to be approved and released by the IEG and serve as the basis for the comprehensive project revision.

As noted in Audit Report No. 3-663-74-18, dated January 29, 1974 the goals of ASP and their measurement had been stated broadly (in the initial funding document) due to the nature of interim project. "The measurement of achievement of these goals is whether, the FFYP and corollary downstream implementation documents are prepared during the FFYP period, and assistance roles of AID and other donors are delineated". The audit subsequently suggested that AID/W insure that USAID/Ethiopia include in the revised PROP specific quantitative bench marks, targets, and objectives in order to measure progress toward project purpose.

During the next two years new leadership emerged in Ethiopia which completely transformed the government and which directed the country in accordance with the principles of socialism. In addition to a major administrative transformation, the development policies of the new government underwent re-direction reflecting the new ideological orientation. These events had a major disruptive effect on not only planning priorities, but also on the planning mechanism.

Preparation of the FFYP, for the period FY 1975 through FY 1979 was discontinued by the emerging provisional government. Development activity, in the absence of a nationally integrated plan, proceeded on an ad hoc basis, as determined by the individual merits of selected programs.

1/ In April 1970 the Agricultural Advisory Services Project - 111 was revised to provide initial support for establishing a fully operating Planning and Programming Department (PPD) within the Ministry of Agriculture.

These developments ultimately culminated in the decision by USAID to cancel preparation of the comprehensive ASP PROP revision which would have outlined the linkages connecting inputs through purpose and goal achievement, based on a GOE approved integrated rural development strategy. In re-defining it's role in support of agricultural planning at the national level USAID prepared a second interim PROP extending assistance through FY 1975 for participant training only. Subsequently, a final FY 1976 interim PROP was prepared to extend funding through termination of continuing participant programs initially funded through ASP.

B. PROBLEMS WITH PROJECT DESIGN

The original interim PROP logical framework is inadequate for evaluating the Agricultural Sector Planning Project. As noted above the outputs, purpose and goal, provisionary at best given the prevailing conditions at the time of original PROP preparation, have long since lost relevancy for inclusion in an agricultural sector wide planning activity. The sectoral planning project existed in title only. A project design with quantitative and time phased outputs incorporating linkages both horizontally and vertically describing how the inputs through a logical evolutionary series of events culminate in desired project objectives was planned, but never carried out. Because of the uncertain internal situation in Ethiopia, comprehensive project development of an agricultural planning capability was postponed, later cancelled, and was succeeded by extensions of support designed to complete that which had begun (i.e. participant training) and, in the absence of host government commitment, to withdraw, for the present, from additional involvement.

It would be misleading, however, to evaluate the project solely on the basis of the audit criteria. Neither the FFYP nor the ancillary implementing documents were developed as intended during the FY 1975 through FY 1979 period. Likewise the relative roles of AID and other donors remained undefined. However, the project's goals had been outlined in terms of future development of anticipated host government priorities which proved to be invalid in the wake of the succeeding political transformation. It is not yet possible to determine whether those persons trained under this project will be able to play a role in agricultural planning once greater stability returns, but that is a possibility and it would give positive, if delayed, results to the AID investment.

C. IMPLIED PURPOSE OF ASP

Nevertheless, the deficiency in sectoral planning capability of the IEG had been identified correctly as a serious problem which exists today as a major constraint to effective nationwide development planning and program implementation. Thus, the broad purpose of the project, despite the problems that than existed and later developed, was valid in providing support to the Government of Ethiopia for developing it's rural development planning capability during the period FY 1975 through FY 1979, i.e. the period intended for the FFYP. More specifically the support was to improve the performance of central ministries and planning agencies in the areas of administration, statistics and planning, manpower development and budget support.

Despite the fact that the activity never, for the reasons noted above, evolved to the position wherein it could extend such a broad range of support, ASP funded, in addition to participant training to the Ministry of Agriculture, both short-term and academic participants and short-term consultancy services in support of the Ministry of Land Reform and Administration. Also, continuing support in the form of technical services and participant training was provided to PPD, extending the assistance initiated under Project No. 111.

D. SUMMARY

The support for GOE planning provided via ASP during this appraisal period is evaluated utilizing the format in Part II. It should be noted that, despite the absence of a project design, the implied objectives remained a project priority and the participant training program and short and long term technical expertise in support of that objective was provided largely in a timely fashion and in areas, which clearly could have benefited from incremental expertise and depth. This expertise and depth is still needed. USAID has been approached by elements of the GOE and requested to continue support of the planning mechanism. As noted in Part II, however, the Planning Department of the Ministry of Agriculture and Settlement has not been viable, and inter-Ministerial planning capability remains inadequate for efficient preparation and execution of a nationwide development plan.

The emergence of a new government directed by a developing socialist ideology and the complete transformation of the social and administrative structure in the rural sector through the implementation of land reform, created a bureaucratic and programmatic instability which has, along with the rapid evolution of new national goals, delayed the development of a cohesive and effective GOE planning structure. The fact that during the last two years the Ministry of Agriculture and Settlement has had three Ministers, while at times the Minister's position has been vacant with responsibility falling to a vice minister or permanent secretary, and the PPD has had four heads during the same period, are symptoms of that instability, and examples of the extent of the transformation which the government has been undergoing. During this period of ministerial reorganization and changing rural administrative structure and development priorities the capacity for provision of definitive guidance to and effective support of the units and departments within the Ministry of Agriculture and Settlement was seriously impaired. Strong support from the Ministry establishing and maintaining PPD within the procedural mechanism for integrated planning was vital to the development of a sectoral planning capability. In the absence of such support PPD's capability predictably declined.

The disparity in government salary levels also served to undermine PPD's organizational viability. PPD could not expect to retain the necessary level of technical competence required to function as a major planning coordination unit, given the paucity of trained manpower in Ethiopia combined with a non-competitive schedule of salaries. There are indications that the GOE recognizes the detrimental effects resulting from inconsistant salary levels and is attempting to equalize them. It is clear, however, that these constraints to effective growth have to be dealt with if the Ministry of Agriculture and Settlement is to develop a central planning coordination capability.

The provision of qualified manpower through the participant training component of the project activity was the primary vehicle through which development expertise could be established in depth within the planning structure of the Ministry. In addition to problems resulting from the shifting of personnel among the various sections of the GOE bureaucracy, other difficulties surfaced when MS degree participants in the United States failed to return to the positions for which they were trained. The apparent reluctance to return to Ethiopia upon completion of training programs is very likely a symptom of uncertainty generated by a changing political environment. The extent to which this uncertainty will affect

the remaining participants is, at this juncture, uncertain. Nevertheless, the potential exists for a major additional setback in the impact of the participant training input should the remaining students be influenced by a similar reluctance, and elect not to return. If the trend established by the three completed MS degree participants continues, additional incentives maximizing the potential for prompt return should be explored.

5. Project Evaluation Chart

INPUTS	OUTPUTS	PURPOSE (Implied)
1. Technical Services (Hash)	Provided outputs specified in contract	Not promoted due to contraction of PPD: a) Inadequate support from Ministry of Agriculture and Settlement for institutionalizing PPD within the planning structure (Annex I, page 3). b) Disparate salary levels (Annex I, page 3).
2. Participants		
Short-Term	Return to scheduled GOE positions	Not promoted (to date): a) Inadequate mechanism for insuring return and effective utilization completed participants. (Annex II, page 6).
Long-Term	Those completed three (3) have not returned	