

CENTRAL TUNISIA RURAL DEVELOPMENT PROGRAM

USAID POSITION PAPER

December 1981

This report should be read together with the June 1981 consultants' reports on the Area Development Subproject prepared by consultants of the El Amouri Institute of Applied Psychology and of the National Association of Schools and Public Affairs and Administration.

This report incorporates the views of the Mission on the consultants' findings and presents the Mission's position with regard to alternative courses of action.

## ACRONYMS

GOT: Government of Tunisia

CTDA: Central Tunisia Development Authority

CTRD: Central Tunisia Rural Development

EPU; Evaluation and Planning Unit

OMVVM: Office de Mise en Valeur de la Vallee de la Medjerda

CRDA: Commissariat Regional de Developpement Agricole

PDG: President Directeur General

GCRD: General Commissariat for Regional Development  
(CGDR in French)

ESSU: Extension Support Services Unit (Extension Subproject)

AES: Agricultural Extension Service (Extension Subproject)

DERV: Ministry of Agriculture Directorate of Education,  
Research and Extension

PDR: Programmes de Developpement Ruraux (Governorate level)

SCF: Save the Children Foundation

CNEA: National Agricultural Studies Commission

OEP: Office of Stockraising and Rangeland

## I. Background

### A. Underlying Objectives

The Central Tunisia Rural Development Project, and initial loans and grants were authorized in March 28, 1979. Actual obligations under the project reached a total of U.S. \$21.4 million at the end of FY 1981, and A.I.D. dollar obligations for activities in the project area actually total over \$35 million dollars. This total in part is the result of a deliberate policy to "front load" the pipeline and make a highly visible development push in one of the poorest areas of Tunisia where infrastructure and public services were minimal. U.S. assistance for Central Tunisia at its inception set forth the following objectives:

1. "Stimulate the GOT into undertaking a minimum critical effort in Central Tunisia.
2. Encourage and assist the GOT to design and test cost-effective delivery systems for public goods and services which then can be replicated by the GOT in other parts of Central Tunisia.
3. Encourage and assist the GOT to address the problems of small dryland farmers who are and will constitute the vast majority of small farmers.
4. Encourage local participation in decision-making, for instance by further involving the governors and "délégués" (district administrators) into area development planning processes and by organizing training programs for members of (delegation-level) local committees.
5. Encourage the participation of other donors either through the provision of technical assistance or through the financing of selected components of the integrated CTRD program.
6. Encourage and assist the GOT in its effort to achieve better integration of rural development interventions."

The passage of time has enhanced the feasibility and reinforced the validity of these objectives. The Tunisian Government's growing awareness of the potential instability of its most disadvantaged regions has strengthened the priority it attaches to Central Tunisia.

Decentralization of Tunisian planning and administration, particularly of development activities, has been gaining public and governmental support. The new Sixth Development Plan, which is to be launched in 1982, has "decentralization," "deconcentration" and improvement in public sector management as major themes.

Decentralized planning, in particular, has taken on new significance with the recent establishment of a Regional Planning Commissariat. Clearly key to success is greater participation by local populations and organizations in the planning, implementation, and maintenance of development activities. There are signs that this is becoming increasingly apparent to Tunisian decision-makers.

In brief, the rationale for U.S. assistance in Central Tunisia is even stronger today than at the inception of the program. Substantial financial resources have been made available in support of the program. Perhaps it can be said that the program design was imperfect but even in retrospect, it was certainly acceptable. What has been lacking is execution which has depended, in large part, on a new institution untried in the Tunisian context.

### B. The Role of the CTDA

The CTDA as a multi-disciplinary and regional planning institution is an innovation. There has been no such institution before in Tunisian practice. The CTDA absorbed the staff and functions of the OMVVM, a semi-autonomous agency under the Ministry of Agriculture, responsible for building, maintaining, and managing a scattered set of public irrigation facilities, called "perimeters," in Central Tunisia. In retrospect, it seems there was no clear consensus about an elaborated set of additional authorities the CTDA would have, or how it would relate to governors and regional commissioners for agricultural development (CRDAs).

One role that A.I.D. envisaged for the CTDA was project manager of the Central Tunisia project, (contracting, directing contractors, managing, controlling, and maintaining all equipment procured under the project). CTDA would provide all administrative and back-up support needed by U.S.-financed contractors, although with the assistance, if necessary, of an A.I.D.-financed logistical support unit. It was not clear, however, what additional powers, staff, or facilities the CTDA would need to do this, in addition to those it inherited from the OMVVM. This was a shortcoming in program design, given A.I.D.'s institution-building experience in Tunisia and elsewhere.

Another role both A.I.D. and the GOT saw for the CTDA was "planner" for Central Tunisia. GOT development budget funds for Central Tunisia must be vetted by the CTDA so its planning role does have teeth. But this was a new role, under a new, decentralized system running essentially parallel to an old one entirely controlled in the capital. It was a role in which CTDA would lean heavily upon the help of its A.I.D.-furnished technical assistance contractor team. This assistance was not effective. Closely related to its role as planner was CTDA's

role as evaluator. In this role also, heavy reliance was expected to be placed initially upon the technical assistance contractor, whose principal task would be the training of CTDA planning and evaluation staff.

The concept of CTDA as a coordinator of development activities carried out by others was given substance by its budgetary control. What was not clearly recognized was the difficulty of this role in a context where other actors (governorates, CRDAs, ministries) were accustomed to proceeding on their own, or at least with deference only to the central Ministry of Plan. We believe that this problem is slowly being overcome.

Still another important role for CTDA would be as the advocate of Central Tunisia in the GOT. This role it has played well, and publicly. It is one of the reasons the CTDA has become a public symbol of U.S. support for a Tunisian rural development strategy in Central Tunisia. Finally, of course, CTDA had a role as project implementor. This role it inherited at the outset from the OMVVM. Its record in this respect has been spotty, but it has a number of accomplishments.

It was inevitable that the role of the CTDA would evolve in ways that could not be completely foreseen beforehand and that there would be stumbling and false starts requiring mid-course corrections and a great deal of field flexibility. The CTDA's role continues to evolve. Quite apart from lack of clarity of its role and the resulting uncertainties and related morale problems, what the CTDA has most lacked is a critical mass of senior level, experienced managers and technicians and consequently, effective management.

With less than two years in active existence, the CTDA should not be judged more severely than the circumstances justify. Its management is acknowledging the problems identified in the recent evaluation report and in discussions with USAID. It is prepared to take corrective measures, and has begun to do so.

## II. Update

The following provides a report on developments subsequent to the consultants' evaluation of the Area Development Subproject, describes the nature of discussions between the CTDA and USAID, and sets forth USAID's observations on the consultants' reports and on subsequent developments.

### A. Impact of Consultants' Reports

Prior to completing their assignment, the American and Tunisian team members made oral presentations of their reports to the Joint GOT/USAID CTRD Project Evaluation Committee (representatives of the Ministries of Agriculture, Plan and the CTDA and USAID staff). The results of these meetings were summarized in TUNIS 5645. (See Attachment 2). The Ministry of Agriculture discussed the evaluation report with CTDA management and has indicated its intention to fully cooperate to address existing problems. A general view in the Ministry of Plan and Finance is that the evaluation report overly "dramatizes" the situation; that it was entirely predictable that the performance of a new institution would be weak in new areas of responsibility (CTDA performance in planning and in activities undertaken under the Area Development Subproject); and that the planning role of the CTDA will be strengthened as the Planning Unit acquires experience and as the organization and management of the CTDA in general are improved. Both ministries and the CTDA support adoption of Evaluation Report "Scenario III"; the internal reform of the CTDA.

There is no evidence that, as result of the evaluation, the GOT has attempted to diminish CTDA responsibilities. On the contrary the Ministry of Agriculture has recently expanded CTDA authority by assigning it responsibility for extension in dryland farming (as well as on irrigated perimeters) under the Extension and Outreach Subproject.

### B. USAID-CTDA Discussions

The consultants' reports have had an impact on CTDA personnel in general and on the CTDA management and staff of the Evaluation and Planning Unit (EPU) in particular. USAID's approach in dealing with the CTDA regarding the evaluation has been first to attempt to improve communications so that we could engage in frank and constructive dialogue, and second to explore solutions to problems together. The fact is that relations between USAID and the CTDA prior to beginning the evaluation process were strained. With the presentation of the consultants' report and ensuing discussions, substantial progress has since been made in improving communications.

Both parties agreed that before convening additional meetings of the Joint Evaluation Committee or expanding discussions to include other GOT representatives, CTDA and USAID should explore together means of addressing the issues raised in the evaluation reports and agree upon a strategy for overcoming problems through a series of meetings in Tunis and Kasserine between the USAID and CTDA management and staff. Discussions have been focussed on identifying the measures to be taken to: (1) strengthen the Evaluation and Planning Unit and the planning function of the CTDA; (2) improve the organization and management of the CTDA in general, and attract and retain experienced managers and technicians.

C. Evaluation and Planning Unit (EPU)

1. Evaluation Report Findings

- a. The role of EPU within CTDA and CTRD not defined; EPU was not taken seriously.
- b. The EPU was not utilized or was under-utilized.
- c. EPU was not integrated into subprojects; was not playing a role in project monitoring and evaluation.
- d. No evaluation standards or indicators had been established.
- e. The EPU lacked qualified, experienced personnel.
- f. The EPU needed personnel in additional areas of specialization.
- g. EPU information system was poorly organized and its role in collecting/organizing information was unclear.
- h. The mini-computer was not being put to intended uses.

2. Comment on Findings

a. CTDA Role in Planning

The role of the CTDA in Central Tunisia is defined in Law 78-44 of August 1, 1978 (Attachment 4). The planning role of the CTDA follows from this law although the specific planning functions of the CTDA and the EPU are not set forth in any official document. (A list of EPU functions is enumerated in the CTDA-University of Wisconsin Memorandum of Understanding dated October 10, 1980 and are repeated in the Sketch Plan final report prepared by the University of Wisconsin).

The CTDA coordinates project identification and has responsibility for insuring the integration and coherence of development activities for the Central Tunisia area. The CTDA is at present a unique "regional planning" institution whose area of responsibility cuts across five governorates. (NOTE: To date, "regional planning" as defined by Tunisian authorities corresponds to planning at the governorate level). The Tunisian Government "Guidelines for the Third Development Decade and the VIth Five-Year Plan", November 1980, indicate that generalized regional planning is not expected to begin before the VIIth Plan (1987-1991) and the institutionalization of the regional units of a General Commissariat for Regional Development (GCRD).

From the beginning of CTDA operations, there has been a feeling of malaise on the part of EPU staff and the then Head of the EPU regarding the lack of a clear statement of their role and responsibilities. Management tended to call on the EPU to satisfy day-to-day needs for reports, maps and statistics without defining its broader and longer term responsibilities. For the most part, the members of the Planning Unit have come to the CTDA with no previous work experience. During the first year of operation, the EPU functioned without a leader, each member taking his instructions directly from the President Director General, which made it difficult in the second year for the eventually named leader to gain acceptance and impose his authority and guidance on the EPU and, apparently, to get the support he felt he needed from the PDG. The Wisconsin Resident Advisor who might have been in a position to strengthen the EPU or at least promote a definition of its tasks, lacked access to the PDG and authority to deal effectively with EPU personnel.

b. Recruitment of Experienced Planning Personnel

The difficulties of the CTDA in attracting experienced planning personnel have been and will continue to be exacerbated by the fact that there is not a large number of qualified and experienced Tunisian "planners" from which to recruit. A second difficulty is attracting qualified personnel of any kind to Kasserine. Also, the Tunisian civil service pay scales favor technicians over staff categories such as economists. To overcome this factor CTDA management proposed first to Wisconsin and recently to USAID that subproject funds be used to supplement the salaries of "senior" members of the Planning Unit and be used to attract additional qualified personnel. Apart from this possibility, CTDA management has indicated that it will recruit two experienced economists and a sociologist, and, as an interim measure, has assigned to the EPU an experienced CTDA economist from the CTDA credit division, bringing EPU staff to a total of seven.

Between January 1980-1981, Wisconsin organized four training sessions in Kasserine for Planning Unit personnel. The training placed heavy emphasis on regional and sketch planning -- topics that seemed much too theoretical to EPU members-- while only a few presentations were more practically-oriented (e.g. one talk on project planning in the fourth session).

Appendix A of the Nellis-Berkman report defines a role for the EPU which the CTDA has had time neither to fully consider nor study. (The CTDA received the French translation of the report on November 20). We think the recommendations are sound and we have expressed to CTDA our preference to focus future assistance to the EPU on practical on-the-job training of EPU members in project identification, design, monitoring and evaluation.

### 3. Relationship CTDA-GCRD

Earlier communication (TUNIS 5645) has cautioned that major GOT/USAID action to redesign the Area Development Subproject should not be taken until the role and functions of the CTDA and newly created General Commissariat for Regional Development (GCRD) are clarified. It is apparent now that it will be at least a year before the GCRD is fully operational and it is unlikely that major changes will occur in the planning role of the CTDA during that time. Enabling legislation for the GCRD, described in TUNIS 5645 and 5909 (Attachments 2 and 3), was voted by the National Assembly on July 29th and a Commissioner was named on September 24. The GCRD has absorbed the former MinPlan Department of Regional Development. Both the CTDA and USAID have met with the new Commissioner and will continue discussions in January when the GCRD is more firmly established. The principal functions of the GCRD will be to conceptualize regional (multi-governorate) development strategies, insure coherence of planning strategies within and among regions, conduct studies and monitor implementation. Beginning in December 1981, and thereafter at the rate of one a month, six regional development units will be created within the GCRD. The unit for the Central West, which includes CTRD project area, is to be created in January. Given limited manpower and financial resources (the GCRD has a modest operating budget of \$400,000 for the first year), it appears that all GCRD personnel and operations will be physically located in Tunis. No GCRD units will be located in the regions until after 1982.

To facilitate cooperation between the Planning Unit and the GCRD, it is possible that the backstop ministry for the Area Development Subproject will be changed from the Ministry of Agriculture to the Ministry of Plan. The commissioner has expressed his intention to avoid duplication of effort and is open to cooperation with the CTDA. The EPU will remain in

the CTDA and develop a yet-to-be defined relationship with the GCRD Tunis-based unit for the Central-West region. This does not preclude some future realignment of CTDA planning functions.

#### 4. EPU Output 1980-1981

CTDA points out in defense of the EPU performance to date that the Area Development Subproject calls for three years of training in regional planning and program evaluation. The CTDA did not begin to function as an organization until January 1980; training began at that time and lasted for one year only. In the view of the CTDA, it is unreasonable to expect the EPU to have accomplished more than they did in the year and one half prior to the evaluation. In the past three months, there has been improved integration between the EPU and the technical divisions of the CTDA as the latter have begun to perceive that the EPU can provide them with useful services.

The following is a list of some of the EPU activities during the past year:

- Participation in the preparation of the Regional Five-Year Plan. The CTDA contracted with a Tunisian research institution to prepare the agriculture-related project section of the regional plan; two members of the EPU worked with this institution. The EPU, assisted by a Wisconsin-recruited consultant, produced the non-agricultural section of the plan.
- Members of the EPU participated with Wisconsin consultants in Experimental Fund project design and assisted with site selection under the Rural Potable Water and the Rural Community Health Subprojects.
- The EPU is responsible for the Experimental Fund and has met with GOT and private institutions to identify acceptable projects. (The first round of projects was rejected by the Ministry of Plan and Finance; others were rejected by USAID). Renewed project identification activity intensified in October and has resulted in potentially acceptable projects submitted for CTDA consideration by private and public Tunisian institutions.
- The EPU has engaged in various data collecting exercises to support funding proposals to potential donors (e.g. a \$25 million IBRD proposal for the rehabilitation of 20 existing irrigated perimeters and development of several new perimeters).
- The EPU completed a study of aquifers in the area and is engaged in study of the water pricing policy of the CTDA on irrigated perimeters. Surveys on soil use for winter and summer crops and on irrigated perimeters are underway.

--The EPU is responsible for market studies to assist farmers in marketing their produce on the most favorable terms possible; there is a longer term plan to create a system of service cooperatives.

B. Organization and Management of the CTDA

1. Evaluation Findings

a. The organizational structure of the CTDA was not defined.

b. There was no delegation of authority.

c. The different services and divisions of the CTDA were poorly integrated.

d. Communication between divisions within the CTDA was lacking and meetings were held infrequently.

e. There were insufficient incentives to attract experienced personnel.

f. CTDA management had not defined the functions and tasks of its personnel.

g. There was unclear justification for variance in salaries.

h. CTDA coordination with regional services was inadequate.

i. The CTDA had a bad image with the regional population.

2. Comment on Findings

a. Need to Improve CTDA Management

AID assistance to the CTDA through the Area Development Sub-project has been aimed at training the Planning Unit in regional planning and developing an information system. It is clear that a higher priority should be to assist the CTDA in improving its management in general, without which training in planning will be ineffective. Difficulties in implementing each of the AID-financed subprojects --including the Area Development Subproject-- during the past two years can be attributed in large part to the management issues identified in the consultants' reports. Unless CTDA performance is improved in these areas, prospects for satisfactory project implementation are not encouraging.

Bringing the CTDA to acknowledge the deficiencies of its management and organization and the impact of these weaknesses has been a key and delicate part of CTDA-USAID discussions during the past quarter. We have explored together practical approaches

to increasing the efficiency and effectiveness of CTDA management, and we expect the CTDA to follow through and implement the principal ideas we have discussed. The approaches are outlined in Section III.

b. CTDA Credibility and Image

While we think that the consultants have correctly identified the main management issues in their reports, they were overly severe in their judgement concerning problems of lack of CTDA credibility with regional services and poor image with the population of Central Tunisia ("h"and"i" above). As the evaluation reports point out, expectations among area citizens were built up well in advance of CTDA's becoming operational, and the new institution could not and did not live up to these expectations in the short run. Progress has been made. First, the CTDA has a growing presence and visibility in Central Tunisia and there are physical achievements that are reassuring to the local population. These achievements include construction of small stables, chicken houses, agricultural feeder roads, cross drains, and agricultural marketing centers; the maintenance and operation of existing irrigated perimeters and the construction of new perimeters; promotion of beekeeping and fruit tree planting with related assistance; and provision of in-kind credit service to farmers. Second, the consultants had time to visit only a small part of the project area to collect impressions from local leaders. We think that the claim that the CTDA has a generally bad image with the population and regional services is inaccurate.

Success in overcoming initial dissatisfaction with the CTDA in the region is in large part due to the work of the subdivision personnel at the delegation level. The Makthar, Sbeitla, Sbiba, Foussana, and Sidi Bou Zid CTDA subdivision offices, for example, are active and appreciated. Personnel from these and other subdivisions are for the most part former OMVVM employees who have worked in the area for years, are known to the population, and who in turn know a great deal about the area and are valuable personnel. Third, the consultants were evaluating the Area Development Subproject (and not the entire CTDA), and we agree with their findings that relations between the Planning Unit personnel of that subproject and regional services were weak and slow to improve. The reasons are understandable.

It was announced at the time of CTDA's creation that regional services would be absorbed by the CTDA. Existing regional institutions were displeased by this announcement, which though false was perceived as a potential challenge to their authority. CTDA technicians (former OMVVM staff) with long-standing relationships with personnel in the regional services were able to overcome this misunderstanding. However, the personnel of the Planning Unit --new, relatively inexperienced, and lacking easy access to regional services and personnel -- have had some

difficulty clarifying their role vis-à-vis regional services. Good personal relationships are critical to accomplishing anything in Tunisia and the newcomers to the CTDA and the area will take time to establish themselves.

### 3. CTDA Action on Management Issues

CTDA management has requested, and the Mission has concurred in contracting for the services of a U.S. management expert for one month during which management issues will be examined and specific proposals made for improving the effectiveness and efficiency of CTDA. Preliminary contacts have been made with Tunisian institutions which are prepared to provide follow-up technical assistance and training. The CTDA has taken or committed itself to take the following actions in response to the findings of the evaluation reports:

#### a. Deputy Director

CTDA management has affirmed its intention to hire a Deputy Director as recommended in the consultants' reports. The Deputy Director would share executive responsibilities now concentrated in the person of the PDG.

#### b. Communications

Following up on suggestions made by USAID staff, CTDA management has announced that regular meetings of key CTDA personnel will take place and that these will be an open forum for staff discussions. USAID personnel have been invited to attend the meetings. In order to improve CTDA communication with all of its employees, a trimester Bulletin with information about CTDA personnel and CTDA policy will be published and distributed to all of the 400 plus CTDA employees. The Bulletin will also be used to convey information for the use of extension workers.

#### c. Recruitment

Some additional technical personnel have been recruited and added to CTDA staff. These include a civil engineer (replaces a predecessor who departed in May) with responsibility for the Small Holder Irrigation Subproject and oversight of the Rural Potable Water Subproject; a media-communications specialist to head the Extension services, a water management/irrigation engineer, and an animal husbandry/range management specialist. (The latter three personnel will work with the Extension Support Services Unit (ESSU) under the Extension and Outreach Subproject). New EPU personnel are also being added (see p. 19).

#### d. Organigram

An organigram -- which USAID has been requesting since the beginning of CTDA operations -- finally exists, supplemented by "Notes préliminaires" (Preliminary notes) which outline the

services of the Divisions and Subdivisions and their functions. While it is not by any means a final document and USAID has stressed to CTDA that the organigram in itself is not a solution to CTDA management problems but a tool and a fundamental element, it is, nevertheless, an encouraging step in the right direction.

e. Administrative Unit

The CTDA has formulated a proposal and budget for the creation of an Administrative Unit which will provide subproject contractual personnel with logistical support related to project implementation. The May 18, 1979 CTRD ProAg recommends the creation of an Administrative Unit and provides funds for this purpose under the Area Development Subproject. USAID has urged the CTDA to create this service for some time. Difficulties in clearing through customs and registering equipment essential for timely preparation of Dryland Subproject field trials has convinced the CTDA of the necessity to act. The CTDA proposal recommends a 50-50 USAID-CTDA sharing of the operating expenses which are estimated at \$40,000 for year one.

4. Personnel Issues

Intimately related to the management issue is the problem of attracting and retaining experienced CTDA managers and technicians. The problem is two-fold: (1) morale, that is, matters that can be resolved by improved management; and (2) special incentives which in the final analysis may require resolution through statutory changes.

a. Morale

Clearer definition of job descriptions and responsibilities will have a positive impact on employee morale. This process has begun with the preparation of an organigram and accompanying notes mentioned earlier. However, it is standard procedure in the Tunisian civil service to hire personnel by "grade" without defining functions or providing job descriptions. The problems of the CTDA in this respect are generalized throughout the Civil Service. Tunisians may be comfortable with this vagueness when they are working for well-established institutions where roles have been defined through practice. However, many of the positions for which individuals are recruited at the CTDA are new and therefore lack definition through practice. To date CTDA management has deliberately allowed vagueness in job descriptions to evaluate personnel performance and the evolving staffing requirements of the divisions as the CTDA develops and takes on new activities.

Management has deferred delegation of authority to new personnel to allow time to judge their performance. The experienced personnel tend to become impatient with this approach; moreover, delays in spelling out responsibility and authority --such as clearly designating an employee as "project manager" -- can result in loss of salary benefits. During our discussions management has stated the need to delegate some of the responsibility which it has been carrying and to develop job descriptions.

The commitment to conduct more frequent staff meetings and encourage improved integration of services within the CTDA will also have positive impact on the morale of personnel. There is evidence that this is now taking place; technicians have called on the Planning Unit to assist in the preparation of surveys and studies and there has been collaboration between health, potable water and extension subproject managers on matters of mutual concern.

We have had frank discussions with CTDA management regarding these and other personnel issues, and we are encouraged by the expressed intent to take corrective action and to solicit the views of management specialists on personnel-related matters.

#### b. Special Incentives

The other dimension of the personnel problem concerns special incentives. The CTDA operates under the civil service code as did its predecessor organization the OMVVM. Following extensive discussions with CTDA management and Ministry of Plan personnel on this issue, we conclude that the CTDA is offering to new and experienced staff the maximum salaries and benefits allowable under the civil service code. Indeed, it appears that the CTDA interprets the code broadly in order to grant certain benefits to personnel.

Attracting staff to serve in Kasserine or any of the lesser developed parts of the country is difficult. The Tunisian Government is preparing a major Administrative Reform which would, among other things, insure more rapid promotion for personnel who serve a tour in the interior. However, the Administrative Reform may be two years from implementation.

### III. Alternatives

Given the problems cited in the consultants' reports and the status of AID-financed projects in Central Tunisia, USAID concludes that there are two fundamental alternatives that could be pursued. The first option is one of reducing the role of the CTDA in the management of AID-financed projects. It implies also reducing the effectiveness of the CTDA as planner, coordinator, and promoter of development in Central Tunisia. It would involve working directly with the line agencies in the region and, in some cases, with several geographic heads of these agencies which are established along governorate lines.

Option II essentially involves an attempt to help the CTDA solve its management problems so that it can play its role more effectively.

#### A. Option I: Reducing the Role of the CTDA

USAID has reviewed each of the AID-financed CTRD subprojects for which the CTDA has partial or full responsibility. The status of these subprojects, the role of the CTDA in implementation and alternatives for implementation are described briefly in Attachment 1. The following summarizes alternative management arrangements for these projects.

##### 1. Area Development Subproject

If further technical assistance and training for the Planning Unit and for CTDA management is discontinued, this portion of the subproject would be deobligated. The second portion of the subproject is the Experimental Fund, of which \$1.3 million from the AID contribution was transferred to the Agricultural Technology Transfer project (No. 664-0304) in February 1981 leaving a balance of 1.5 million dollars in AID funds and a like amount on the GOT side. This could be transferred to the Governorates of the CTRD area, to the Ministry of Social Affairs "Famille Productive" program, and private institutions including the Tunisian voluntary agency ASDEAR and/or Save The Children.

##### 2. Dryland Farming Systems Research Subproject

This project is implemented by the CTDA in collaboration with the Ecole Superieure d'Agriculture at El Kef. CTDA provides delegation level extension field staff to work with researchers in project implementation. The alternative to CTDA involvement in this project is to have the Ministry of Agriculture Directorate of Education, Research and Extension (DERV) assume responsibility for the administrative functions now carried out by the CTDA and to use area Commissariat for Agricultural Development (CRDA) agents for field work.

### 3. Small Holder Irrigation Subproject

Alternatives to CTDA management of this subproject are as follows:

a. The loan assistance to small farmers to improve or dig 500 wells portion could be transferred to the Governorate Rural Development Program.

b. Responsibility for development of up to 100 springs for irrigation could be assumed by the regional Rural Engineering (Genie Rural) offices.

c. There is at present no alternative to CTDA management for irrigated perimeters, for this is and has been one of the principal responsibilities of the CTDA and its predecessor institution the OMVVM.

### 4. Rural Potable Water Subproject

Responsibility for this subproject could be transferred to the regional Rural Engineering offices which are responsible for implementing comparable programs although they are not necessarily bound to apply the subproject criteria agreed upon in the Subproject Agreement. The national drilling company, Regie des Sondages Hydrauliques, has responsibility for operation and maintenance of the imported drilling rig under the subproject; drilling operations would proceed under the management of the Rural Engineering office.

### 5. Rural Extension and Outreach Subproject

The main components of this subproject are an Extension Services and Support Unit (ESSU) and the Agricultural Extension Services (AES). Alternatives to CTDA implementation of this subproject would be to transfer the ESSU personnel and functions to the Ecole Superieure d'Agriculture at El Kef and to assign responsibility for the AES to the three regional CRDAs or reduce the subproject area to part of one governorate (e.g. five CTRD delegations of Kasserine Governorate) or to an entire governorate.

#### B. Comments on Option I

Our analysis of this approach reveals the following implications for achieving the objectives set forth in the CTRD Strategy Paper:

#### 1. Stimulating the GOT into undertaking a "minimum critical effort in Central Tunisia"

The GOT is committed to focussing greater attention and resources in Central Tunisia and, in our judgment, will now continue to do so

with or without AID support. In view of the considerable effort that AID and the GOT have made to promote decentralized planning and the development of a coordinating body in Central Tunisia, AID withdrawal of support from the CTDA would be inconsistent and ill-timed.

2. Encourage and assist the GOT to design and test cost-effective replicable systems

The CTDA is a vehicle through which AID and the GOT have been able to take approaches to development which are different from approaches taken to date by the line ministries. Were support<sup>to</sup> withdrawn from the CTDA we believe that certain objectives of the following subprojects would be seriously jeopardized and prospects for replication weakened:

- Area Development: opportunities to improve project identification, design, monitoring and evaluation systems would be lost as would the opportunity to reinforce a new initiative in regional planning taken at the national level.
- Dryland Farming: coordination across governorate boundaries would be questionable.
- Irrigation: the irrigated perimeters portion of the subproject would be jeopardized.
- Potable Water: it is less likely that site selection criteria and procedures would be followed and that health education or maintenance aspects of the project would be implemented.
- Extension: coordination across governorate lines would be questionable.

3. Encourage and assist GOT to address problems of small dryland farmers

Difficult to assess impact.

4. Encourage local participation in decision-making

Local participation is promoted in particular through the Area Development, Potable Water and Extension subprojects. A transfer of responsibility for these subprojects to line ministries would make it less likely that this objective would be achieved.

5. Encourage the participation of other donors

To the extent that the CTDA is responsible for project identification and preparation of proposals for the area, failure to strengthen the CTDA and specifically the Planning Unit could weaken GOT capacity to attract the support of other donors.

6. To encourage and assist the GOT to achieve better integration of rural development efforts

Reducing the role of the CTDA and, in particular, reducing AID assistance under the Area Development Subproject would mean ceasing to pursue this objective.

On balance, the Mission concludes that Option I, reducing the role of the CTDA, would be disruptive and would jeopardize successful implementation of specific subprojects. It would have generally negative implications for achieving the stated AID objectives in Central Tunisia which, we believe, are still valid. The GOT response to the evaluation reports has been to increase support for the CTDA, including a decision to delegate authority to the CTDA for dryland extension. We know that such an option would be ill-received by the GOT. In order to improve the prospects for successful project implementation and for the achievement of the stated objectives of the program, our effort should be aimed at strengthening the CTDA.

C. Option II: Strengthening the CTDA

1. Strengthening the Planning Capacity of the CTDA

a. Rationale

We view strengthening the Planning Unit as essential to capitalize on the opportunity in Central Tunisia to promote improved public sector management and reinforce Government decentralization efforts and a more participatory approach to development. The Tunisian Government has clearly stated its intention to continue to give priority attention to the poorer interior regions of the country, such as Central Tunisia. The Government of Tunisia in its "Guidelines for the Third Development Decade" cite the CTDA experience as the first example of embryonic regional development efforts in the country. The planning of the CTDA to date, modest though it has been, is a pilot effort which will be expanded by the creation of regional (multi-governorate) units under the Central Commissariat for Regional Development.

b. Benefits

The potential benefits from strengthening the planning capacity of the CTDA and from CTDA success in planning are to:

(1) give credibility and impetus to the decentralization of the planning process and

(2) encourage replication of decentralized planning elsewhere in the country.

Additional benefits are:

(3) an opportunity to encourage and promote a more participatory approach to planning through

--consultation with local leaders and beneficiaries

--participation in work of regional and sectoral planning commissions

--organization of seminars/training programs for local leaders and representatives of regional services to promote new approaches to the planning process.

(4) identification of the priority needs of the area, matching these with opportunities and potential through

--consultation with local leaders/representatives

--data collection and analysis

-enlisting services of specialized institutions for studies.

(5) promotion of coordination and regional services

(6) improved project design (dossiers d'execution) for CTDA-managed projects and project design carried out at the request of the governorate or regional services.

(7) development of a project monitoring capability with regular consultation between the Planning Unit and project managers, data collection and analysis and feedback.

It is going to take an effort of longer term than projected USAID involvement in Central Tunisia to transform the Planning Unit into an institution capable of performing successfully all of the above activities. However, the intent of U.S. assistance to the CTDA was to lay a foundation for future development. Some progress has been made in the less than two years of Planning Unit operation. Continued assistance is needed and a framework for this continuation has been worked out between USAID and the CTDA during the past three months.

#### D. Strategy

The following are the proposed elements of an approach to strengthen the planning role of the CTDA:

##### 1. Resident Tunisian advisor to the Planning Unit

In view of the difficulties in identifying suitable qualified candidates from the U.S. or other countries who have the needed language skills, familiarity with Tunisian system and who are prepared to live in Kasserine, USAID and CTDA propose hiring a Tunisian for this position. The consultant would be hired on a host-country contract jointly prepared by USAID and the CTDA; the salary of the advisor would be paid from Area Development

funds. An attractive candidate is available: he has worked briefly as a consultant to the Planning Unit under contract to the University of Wisconsin, he has the required credentials, and he is in a position to counsel not only the Planning Unit but CTDA management as well. His role will be to provide practical on-the-job training to Planning Unit personnel and to organize and arrange special group training sessions. On-the-job and group training will focus on the strengthening of Planning Unit capabilities in the following areas:

- a. project identification
- b. preparation of specific project designs following up on needs identified by CTDA or ideas submitted to CTDA by PDR, délégués, Experimental Fund, Regional Commissions, etc.
- c. project design for other regional institutions
- d. preparation of budget studies for specific projects
- e. insuring specific projects are coordinated with activities of other regional institutions
- f. liaison with GOT planning institutions such as GCRD, CNEA, etc.
- g. field work to identify and study needs and opportunities at the local (secteur-delegation) level
- h. monitoring on-going CTDA projects in consultation with project managers (collect, analyze data including use of mini-computer; provide feedback to project managers; assist project managers in setting implementation goals; evaluate projects; insure timely project reporting)
- i. management and monitoring of the Experimental Fund.

## 2. Recruitment of Additional Personnel

The CTDA will hire two additional and experienced economists to reinforce the personnel of the Planning Unit. An experienced economist from the CTDA credit division has already been assigned to the Planning staff to assist with preparation of the proposal for IBRD funding of a program to renovate existing irrigated perimeters and develop new perimeters in the Central Tunisia zone. The CTDA has also committed itself to the recruitment of a sociologist to join the Planning Unit. The recruitment of two additional economists and a sociologist will bring the Planning Unit staff to a total of ten, of whom six are considered upper level staff.

USAID is working with Peace Corps/Tunisia to identify volunteers who might wish to stay on in Tunisia for 1-2 years. They or comparable personnel with needed skills would be hired under project financing by the CTDA to work with the Planning Unit in its field-oriented activities such as surveys and field work related to project design and monitoring.

3. Incentives

The CTDA will provide to its personnel --including Planning Unit personnel -- the maximum incentives permitted under civil service regulations.

4. Save the Children Training

The Save the Children three-year training program for a small number of CTRD project designers and managers will include members of the CTDA. This training exercise is field-oriented and involves analysis of the failures and successes of on-going projects and intensive training in project design, implementation, and evaluation, using the bottom-up, participatory approach.

5. Experimental Fund

The Experimental Fund will be used for originally intended purposes but also as a training exercise for the CTDA Planning Unit in project design, monitoring and evaluation.

6. Improved Management

The Planning Unit will benefit from overall management improvement of the CTDA.

7. Improving the Organization and Management of the CTDA

a. Rationale

The highest priority of AID technical assistance for the CTDA is to improve CTDA management in general. This has been the principal theme of our discussions with the CTDA. As already provided for in the Area Development subproject, funds will be used to broaden the technical assistance and training provided to the CTDA. Through this effort, we believe there will be improved prospects for more effective implementation of the AID-financed subprojects as well as more effective CTDA performance in fulfilling its mandate to promote a wide range of social and economic development actions in the Central Tunisia area. We would want the training effort to include team-building activities among CTDA and other GOT agency personnel in the area.

b. Strategy

(1) Short-term Management Consultant

The CTDA has proposed that Area Development Subproject funds be used to contract for the services of a U.S. management expert to consult with the CTDA and USAID for one month. CTDA and USAID will jointly prepare a scope of work for the expert who will be responsible for working closely with CTDA management to identify management and organization problems and recommend specific corrective action. The consultant will identify and outline the content of future technical assistance and training to improve CTDA management.

In preparation for this consultancy, USAID has surveyed and met with management services currently available in Tunisia. The expert should meet with these same institutions to assess their capability and suitability to provide TA and training to the CTDA.

We propose to hire the management consultant under direct contract with one of the IQC firms specialized in "Development Administration" or "Management Consulting".

(2) Technical Assistance and Training Management

Technical assistance and training in management for the CTDA in general will be defined upon conclusion of the short-term consultancy (above). USAID and CTDA have discussed a range of approaches and possibilities for the longer term which include:

(i) Host-country contract with a Tunisian management firm to organize specialized training programs to meet the needs of different personnel categories.

(ii) AID direct contract with a recognized American management consulting firm which would provide periodic short-term consultation to CTDA management and work collaboratively with a Tunisian firm either under subcontract to the American firm or with the Tunisian firm engaged under a Host-Country contract.

(iii) Use of the resident advisors and short-term consultants provided under the Extension, Dryland and Irrigation and other subprojects. For example, Oregon State University resident advisors, together with CTDA and USAID, may organize on-the-job and more formal training sessions on matters directly related to subproject implementation for personnel with project management responsibilities.

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(iv) Hire former Tunisian Peace Corps volunteers or comparable personnel to work "hands-on" with Subproject managers. For example, a former PC/CARE water project field manager would work with the CTDA Rural Potable Water Subproject manager for a period of six months, emphasizing planning for implementation, field work, and evaluation.

Training for CTDA managers and technicians must assist them to become more operational and must be carefully integrated into their normal schedules. Although CTDA personnel are to be the main target and beneficiaries of this assistance, where feasible, managers from regional services should be included in the training, as recommended in CTRD strategy paper. Workshops utilizing a management by objectives approach with team-building as a goal may be a useful tool in this respect.

The objective in providing management assistance is to address and overcome the weaknesses identified in the evaluators' reports -- weaknesses which are known to CTDA management and USAID alike. As a result of this TA and training, we expect to achieve the following improvements in CTDA management:

- a. Delegation of authority to project managers.
- b. Improved communication among CTDA personnel and divisions.
- c. Better integration of services among the CTDA divisions.
- d. Improved CTDA coordination with regional services.
- e. A higher level of performance throughout the CTDA organization.

SUMMARY OF 0312 SUBPROJECTS

- I. 0312.1 - Area Development
- II. 0312.2 - Dryland Farming Systems Research
- III. 0312.3 - Small Holder Irrigation
- IV. 0312.7 - Rural Potable Water
- V. 0312.8 - Range Development and Management
- VI. 0312.9 - Rural Extension and Outreach

## I. AREA DEVELOPMENT SUBPROJECT 664-0312.1

### A. Objectives

To assist the CTDA (1) in building-up a capacity to plan and evaluate a regional development program for Central Tunisia and (2) in financing and managing an Experimental Fund designed to finance pilot activities with a high potential for replication elsewhere.

### B. Status

1. Subproject was evaluated in June 1981.

2. The technical assistance portion of the subproject (Wisconsin contract) has been frozen until USAID and the GOT elaborate strategies on next steps involving CTDA and AID support pursuant to the joint evaluation.

3. CTDA and USAID are engaged in identifying strategies to address the issues raised in the evaluator's report. These strategies will be reviewed with AID/W in December.

4. The CTDA has solicited from the private and public sector proposals for Experimental Fund projects. Twenty responses have been received and are under study.

### C. Role of the CTDA

1. Training/technical assistance portion of the subproject has to date been aimed at members of the Evaluation and Planning Unit (EPU).

2. The Experimental Fund is the responsibility of the CTDA and is managed by the EPU.

### D. Effectiveness of the CTDA

(Please refer to subproject evaluation)

1. EPU has assisted in study and the preparation of materials in support of (a) AID-financed subprojects, (b) proposals to other donors, and (c) day-to-day CTDA operations. EPU participated in the preparation of the regional Vith Five-Year Plan.

2. Staff is relatively inexperienced; additional training and technical assistance are needed to strengthen EPU skills in planning, project design and management and evaluation.

3. MinPlan rejected first list Experimental Fund proposals; CTDA has renewed efforts to identify projects acceptable to all parties.

E. Alternatives

1. Mission foresees additional technical assistance and training to strengthen the EPU, focussing on improving skills in project designs, implementation and evaluation and the use of subproject funds to improve the management of the CTDA in general. We should also proceed with the Experimental Fund. Mission is promoting linkage between CTDA and GOT programs that have potential for satisfying Experimental Fund criteria.

2. Discontinuation of EPU training/technical assistance would mean deobligation of that portion of the project. Experimental Fund portion of the subproject could be transferred to non-CTDA management such as Governorate PDR program.

## II. DRYLAND FARMING SYSTEMS RESEARCH 664-0312.2

### A. Objectives

To develop dryland farming technology adapted to the needs of small farms in Central Tunisia and a continuing applied research program operating out of the Ecole Superieure d'Agriculture at El Kef (Institute).

### B. Subproject Status

Resident Advisor arrived February 1981. Two-thirds of commodities have arrived and first year's trials are now being planted in project area. The initiation of trials has been hampered by delays in clearing commodities through customs and registering vehicles, trailers, etc. and poor coordination between CTDA and the Institute. Additional staff is still required at the Institute to effectively carry out the research program.

### C. Role of CTDA

1. Contract with the Institute for project implementation.
2. Monitor the applied research and insure that it is relevant.
3. Assign extension field staff to work with the researchers in project area.
4. Keep farmers and officials in project area informed and eventually provide the extension arm that will assist farmers in adopting the proven technology.
5. Provide administrative support especially in clearing and registering project commodities.

### D. Effectiveness of CTDA

1. CTDA has contracted with the Institute for project implementation but changes in CTDA personnel have caused some difficulty in interpreting and carrying out the contract.
2. CTDA has lacked qualified technical staff to monitor the research program.
3. CTDA field staff have been assigned. However, lack of coordination between Institute and CTDA officials has resulted in confusion on the part of field staff and delays in carrying out some project activities.
4. It is too early to determine CTDA extension capabilities. This will be determined by the effectiveness of CTDA's implementation of the rural extension subproject.
5. CTDA performance to date in clearing and registering commodities has been inadequate (up to 5 months

on occasion for clearing customs and over 6 months in registering project trailers).

6. Alternatives to CTDA involvement: The liaison between research and extension personnel could be accomplished by having Institute's researchers work with MOA/CRDA agents in the project area instead of CTDA agents. The administrative functions could be turned over to DERV which could be arranged through an amendment to the OSU contract allowing OSU to hire a local expediter to take care of these and other administrative details.

III. SMALL HOLDER IRRIGATION SUBPROJECT NO. 664-0312.3

A. Objectives

1. 500 wells
2. Up to 100 springs
3. 3 irrigated perimeters
4. Improved irrigation methods/practices

B. Status (est. by end of December 1981)

1. 60 wells equipped; 120 wells under construction
2. 14 springs completed; 6 springs under construction
3. Perimeters: civil works 90% complete  
pumps shipped (ETA January 1982)  
land tenure package with Reforme Agraire  
planned inauguration spring 1982
4. 3 visits completed by OSU consultants;  
report anticipated June '82.

C. Role of CTDA

1. Project Manager
2. Supervisory Engineer

D. Effectiveness of CTDA

1. Generally satisfactory; the project is making headway and should be successful.
2. Areas for improvement:
  - (a) Reporting and distribution of reports
  - (b) Follow-up with Land Tenure Office
  - (c) Follow-up of OSU activities

E. Alternatives

1. Wells - The Governors' PDR fund also provides credit for pumps for surface wells.
2. Springs - Genie Rural has also done this in the past and should continue effort.
3. Perimeters - No other likely candidates as CTDA has sole mandate for this in Central Tunisia.

IV. RURAL POTABLE WATER SUBPROJECT NO. 664-0312.7

A. Objectives

1. Improve access of rural dispersed population to potable water.
2. Apply rational water development plan.
3. Test lower cost technologies.

B. Status

1. In collaboration with relevant regional services (Water and Soil Resources Division, Rural Engineering Division, Governorate Councils, and the Ministry of Public Health), CTDA has produced a general health education plan (this plan has been adopted at the national level) and a general maintenance plan for potable water projects.

2. Site selection by the project manager and members of the Planning Unit has resulted in identification of 33 drilling sites, 25 well improvement sites and 33 spring improvement sites.

3. An IFB for a drilling rig (and related technical assistance) was issued, a supplier identified, contract signed, and L/C issued.

C. Role of CTDA

1. Project management.
2. Ensure coordination with regional institutions mentioned in B.1 above.
3. Promote with the GOT general application of subproject water policy including site selection criteria and procedure and the adoption of low cost technologies.

D. Effectiveness of CTDA

1. CTDA was slow to satisfy four initial CPs to disbursement; delays were due in part to coordination requirements to produce health education and maintenance plans.

2. Recruitment of an experienced civil engineer in September 1981 is a positive step that will assist the relatively junior subproject manager in project implementation and monitoring.

3. Working relationship with regional services is being developed and strengthened. CTDA has been relatively effective in applying the site selection criteria and following subproject procedures.

E. Alternatives

Were the subproject not implemented by the CTDA, implementation responsibility could be given to the three Governorate-level Rural Engineering offices of the Ministry of Agriculture. This action would jeopardize the site selection process. Rural Engineering would tend to apply a different set of priorities in project site selection, and it would be unlikely that the more participatory approach (consulting with population prior to site selection, involvement of the population in health education and maintenance activities before, during, and after project implementation) that we are attempting to promote would be applied.

V. RANGELAND DEVELOPMENT AND MANAGEMENT 664-0312.8

A. Objectives

1. To introduce improved range management and stock raising practices on 12 pilot sites (approx. 3000 ha. each) in Central Tunisia.

2. To develop a Range Management Unit in the MOA that will implement this pilot project and continue activities beyond A.I.D.'s period of assistance.

B. Status

Two of three initial CPs have been met and O.E.P. has informally advised USAID that documents will be submitted shortly to satisfy remaining CPs so that project implementation can begin.

C. Role of CTDA

The role of CTDA in this project is limited to monitoring and participating in project evaluation.

D. Effectiveness of CTDA

No action on the part of CTDA has been required to date; therefore their effectiveness cannot be judged.

E. Alternatives

If CTDA's involvement in this project is eliminated it will have no measurable impact on project implementation. Their role will be absorbed by other members of the interagency project committee created to monitor this project.

VI. RURAL EXTENSION AND OUTREACH 664-0312.9

A. Objective

Establish two-way communications system between the target population and the public sector service and information organizations. This is to be accomplished by developing an Agriculture Extension Service (AES) and an Extension Service Support Unit (ESSU) within CTDA and supplemented with support to the MOA/DERV for development of films, radio programs etc. for the Central Tunisia area.

B. Status

CPs are just now being met and if actions taken to date are accepted by A.I.D., subproject implementation can start within 2 months.

C. Role of CTDA

CTDA has almost total (93%) implementation responsibility for this project. The two sections to be established (AES and ESSU) which are to provide services to the target population are part of CTDA.

D. Effectiveness of CTDA

CTDA seems to have been reticent in trying to get the authorities necessary to carry out the extension function and has been slow and/or had great difficulty in recruiting qualified staff for this project.

E. Alternatives

The ESSU function could be absorbed by the Ecole Superieure d'Agriculture at El Kef and more closely associated with the on-going agricultural research program. The AES function could conceivably be absorbed by one or more of the CRDA's, but this would involve redefining the project area which now falls under the jurisdiction of three CRDAs and would involve a significant change in authorities and operating procedures for the CRDAs.

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ATTACHMENT 2  
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UNCLAS TUNIS 5645

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E.O. 12065: N/A

SUBJECT: Central Tunisia Area Development (664-0312.1)

Mid-term Evaluation and Related Developments

REFS: (A) TUNIS 5161 (B) Letter Prakash/Gelabert,  
 April 30, 1981

Summary: Recent approval by GOT Council of Ministers of proposed creation of General Commissariat for Regional Development (GCRD) has raised questions re future of CTDA as multi-sectoral planning and coordinating agency. USAID however, does not believe that (a) major GOT action to restructure CTDA will take place until GCRD is actually established (b) major GOT/USAID action to redesign Area Development subproject should <sup>not</sup> be taken until role and functions of CTDA versus GCRD and other entities

DRAFTED BY RD: PDemongot:nbs	DRAFTING DATE 7/28/81	TEL. EXT 307	CONTENTS AND CLASSIFICATION APPROVED DIR: WFGelabert
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CLEARANCES

PROG: WKaschak (draft) CONT: (Substance)  
 F&A: HDickherber (draft)  
 RLA: SCarlson (draft)  
 HPN: (Substance)

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within MinAg are clarified and need for continued TA is reassessed in context of new institutional arrangements. Anticipated time frame for this reassessment is October-November 1981. Following is a status report on subject evaluation.

1. In conformance with its contract with the GOT MinAg, the El Amouri Institute submitted to MinAg and USAID a preliminary report on June 22 and a final report on July 6, 1981 (both in French) of CTDA mid-term evaluation. The first draft was prepared in collaboration with US consultants team members John Nellis and Herman Berkman whose contracts call for submission of a final report in English two weeks after submission of the draft report in French, (not yet received by USAID).
2. Prior to departure of Nellis and Berkman, Tunisian/US team of consultants made two oral presentations of their findings and recommendations to Joint GOT/USAID CTRD Project Evaluation Committee. Since then, the GOT members of the Committee have reviewed the consultants' report and will meet shortly to develop common GOT position prior to a meeting of the full committee

in early August.

3. Pending a meeting of full evaluation committee, project officer has held informal discussions with the MinAg and MinPlan representatives on the committee. MinAg Director of Planning Boujebel has expressed satisfaction with the report's direct and forthright approach to CTDA's organizational and management problems. His concern is not so much the Area Development subproject (which is of marginal interest to MinAg) but the entire CTRD program and the CTDA's capacity to implement the wide range of subprojects, GOT and/or USAID financed. He agrees with the consultants' diagnosis and believes that remedial action will require major decisions which can only be taken at the ministerial or even council of ministers' level. Therefore, he has forwarded the report to Minister of Agriculture Ben Osman who already has called a meeting (CTDA Director reportedly was invited but could not be reached) to discuss ways and means of strengthening CTDA staffing.

4. MinPlan Director of Regional Planning, Naija,

while not disagreeing with the consultants' findings, would have preferred the report to focus more on details on Area Development subproject implementation (particularly regional planning methodology) rather than on broader institution-building and management issues. Therefore, he would like Committee to focus on ways and means to strengthen CTDA's Evaluation and Planning Unit. While recognizing that changes in CTDA functions, organization and management will be necessary, MinPlan believes that legislation creating CTDA is broad enough to accommodate such changes without Council of Ministers' approval. (While Naija did not send consultants' report to Minister of Plan, he discussed it with his immediate supervisor, General Director of Planning, Ezzedine Chelbi (who was Chef de Cabinet in MinAg when CTRD project agreement was signed).

5. MinPlan attitude is partly influenced by strong possibility that status of CTDA may be affected within a year or so by creation of a General Commissariat for Regional Development (GCRD) with a field office in each region. A proposal to that effect was recently submitted by MinPlan to, and

approved by, Council of Ministers (detail being reported in septel). It is expected that the regional planning, program coordination and monitoring functions currently assigned to CTDA would be assumed by a CT field office of the new Commissariat (in addition to responsibility for approving Rural Development Program activities funded to governorates which is now exercised by MinPlan).

6. USAID does not expect a set of formal recommendations to emerge from joint evaluation committee review of the consultants report until early August or later. We anticipate that any such recommendations would be limited to ad hoc measures designed to shore up CTDA pending major realignment of responsibilities between CTDA and GCRD later in year.

7. Against this background, we anticipate following short-term (July-September) and medium-term (remainder of CY 1981) scenarios for the Area . Development Subproject.

8. Short-term:

A. CTDA/EPU management: we expect that MinAg will increase its efforts to improve staffing of CTDA but that effort will be offset by continued departures of present staff. We do not anticipate major reorganization at this time but CTDA may act on recommendation to assign investment budget function to EPU thus increasing its status and influence within CTDA and possibly slowing departures.

B. Wisconsin Contract: we understand from ref (B) that Wisconsin Project Director Ved Prakash has requested Wisconsin administration to notify AID of university's quote intention to give termination notice as of September 1, 1981 in the event that satisfactory negotiation of the contract is not achieved by August 31, 1981 unquote. CTDA Director Bougatef has indicated readiness to discuss future of CTDA/Wisconsin collaboration with Prakash once GOT's position on findings and recommendations of evaluation consultants report becomes known in early August (his major concern appears to be the Minister of Agriculture's reaction to the report).

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As soon as joint evaluation committee has met to discuss GOT reaction to report and develop a common GOT/USAID position, we will advise Prakash through AID/W of committee's recommendation. Mission believes, however, that it would be too early for major redesign of TA (see para 9B below). Bougatef-Prakash understanding, on other hand, could lead to Wisconsin decision to defer termination of contract until need for continued TA can be more clearly assessed.

C. Cornell Contract: will terminate September 30, 1981 and no extension is planned (we hope however, that Bertolis' activity can be continued as part of any new TA contract).

D. Experimental Fund: PIL No. A-3 has been countersigned by Ministry of Foreign Affairs (DCI) and we expect that CTDA will proceed with design of pilot projects, hopefully in collaboration with other agencies (for instance, as a result of recent Mission parallel efforts the Ministry of Social Affairs is expected to prepare proposals

in collaboration with SCF for funding by the CTDA)

E. Other CTRD Subprojects: we expect that CTDA will gradually be stripped of responsibility for implementation of capital projects other than irrigation projects. (We understand that responsibility for improvement of rural roads already has been transferred to Ministry of Equipment). This, however, should not affect CTDA's planning, coordination and monitoring responsibility as project manager for the Rural Potable Water and Rural Extension subprojects and Experimental Fund activities. The Area Development evaluation and related developments, however, have affected MinAg attitude toward CTDA implementation of all agricultural extension activities in the project area. While CTDA is expected to retain responsibility for overall project management, ESSU management and extension activities aimed at farmers on irrigated lands, it is expected that the CRDA's of each governorate will retain responsibility for implementation of extension activities aimed at dryland farmers. If this comes to pass certain

restructuring of the extension project will be necessary.

9. Medium-term:

- A. CTDA/EPU: major decisions concerning future of CTDA are expected to follow creation of GCRD. Present time frame (per MinPlan Regional Development Director, Naija) is for national assembly to vote enabling legislation between end of July and September 1981 and for the GCRD head to be designated within a month following legislative approval. At that time (and prior to creation of regional field offices), possible duplication of function between CTDA and GCRD/Central Tunisia will be examined and hopefully resolved satisfactorily from AID's standpoint. At issue will be not only Area Development subproject-assisted activities (regional planning, project design, monitoring and evaluation and management of Experimental Fund) but also current CTDA responsibility for management and/or coordination of other CTRD program activities (potable water, health, rural extension and outreach).
- B. Technical assistance: major restructuring of TA should be based on a clear definition and

understanding by all Tunisian agencies concerned as well as by USAID of the functions to be performed by CTDA/EPU such as regional planning, multi-sectoral project design, coordination, monitoring and/or evaluation etc. These specific attributions should be the subject of an official document such as a decree published in the Official Journal. Redesigning of TA should also take into account strong possibility that some or all of these functions may be taken over by the Central Tunisia regional field office of the GCRD when established. For these reasons, negotiations with GOT may last well into the Fall past the deadline set by Wisconsin for notification of termination of contract (see para 8B above).

C. Experimental Fund: while regional planning, coordination and monitoring functions will be assigned to GCRD field offices, it is not clear that they will enjoy financial autonomy and have responsibility for managing funds. There is a possibility that the GOT Rural Development Program (PDR) will be restructured with funding of activities

redirected through the governorate-level field services of technical ministries and the Governor playing a coordinating role. While the GCRD field offices would assist technical services in project design and approve PDR-funded projects, they would not normally receive and disburse funds. There might be exceptions however, (such as integrated RD projects) and it is therefore conceivable that management of the Experimental Fund could eventually be assigned to the GCRD field office for Central Tunisia.

D. Other CTRD Subprojects: a transfer of all multi-sectoral planning, coordination and monitoring functions from CTDA to regional CT field office of GCRD would have implications for other CTRD subprojects particularly if it results in conversion of CTDA into one or more agricultural development authorities (Office de Mise en Valeur) responsible only for irrigated agriculture. In this case the regional CT field office of GCRD may be called upon to assume responsibility for coordinating and monitoring the implementation of all Central Tunisia development program activities.

10. Action Required:

- A. Please confirm that AID contract office has received Wisconsin notification described para 8B above. We also request that AID/W CTRD Project Coordinating Committee explore with Dr. Prakash feasibility and desirability of extending September 30 deadline by mutual agreement between AID and Wisconsin if such a decision is justified by evaluation results.
- B. Please advise when Nellis/Berkman report mailed to USAID.
- C. Please advise status CT sketch plan prepared by Wisconsin.
- D. Please send copies of PIO/T issued by AID/W for services of U.S. consultants.

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# TELEGRAM

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FROM

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AMEMBASSY, TUNIS

ACTION: SecState WASHDC

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E.O. 12065: N/A

SUBJECT: Creation of a GOT General Commissariat

for Regional Development

REF: TUNIS 5645

1. At July 16, 1981 GOT Council of Ministers' meeting, Minister of Plan presented a proposal for creation of a General Commissariat for Regional Development (GCRD). This new institution had previously been called for by Prime Minister himself in his 1982 budget speech.

2. New Commissariat would be responsible for following:

A. Preparation of regional economic and social development plans;

B. Collaboration with technical departments and

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CONTENTS AND CLASSIFICATION APPROVED BY

DIR: WFGelabert

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PROG: WKaschak (draft)

RLA: SCarlson

F&A: CJFliginger

8/7/81

1:45 p.m.

their field services in evaluating and monitoring implementation of these plans;

C. Participation with governorate councils and local authorities in preparation of rural development

projects and projects designed to meet specific needs of particular governorates or regions; and

D. Approving rural development projects and allocations of funds to local government entities.

3. Council of Ministers approved the draft legislation and decree creating new Commissariat.

4. The proposed legislation was approved by the National Assembly on July 29. The newspaper report specified that the Commissariat would have financial autonomy and report to the Minister of Plan and Finances. The legislation as voted provides that the Commissariat would be responsible for managing special integrated RD projects.

(This ~~clarifies~~ <sup>clarifies</sup> statement in last sentence of para 9D of reftel).

5. Comment: the words quote rural development projects unquote refer to projects funded under quote Programme de Developpement Rural (PDR)

unquote. Funds for these projects are currently

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allocated to each governorate which submit project proposals for approval by Ministry of Plan. We understand that, in future, most of these funds will be allocated through the technical ministries field services which will be responsible for designing projects in collaboration with, and subject to approval of, the applicable regional field office of the Commissariat (see para 9C of ref tel).

WFS MACK

Draft Translation

LAW NO. 73-44 OF 1st AUGUST 1978 PROVIDING FOR ESTABLISHMENT OF THE OFFICE  
LE DEVELOPPEMENT DE LA TUNISIE CENTRALE

In the Name of the People,

We, Habib Bourguiba, President of the Tunisian Republic;

The National Assembly having adopted,

Promulgate the law whose substance follows:

Article 1. Is hereby established a public body of the industrial and commercial type endowed with civil being and financial autonomy called the "Office de Développement de la Tunisie Centrale," placed under the over-all control of the Ministry of Agriculture.

The Office has a commercial character in its relations with third persons and is governed by the dispositions of Commercial law in the measure that this law is not derogated by the present law.

Article 2. The Office exercises the functions provided for in the present law in the governorates of Kasserine, Sidi Bou Sid, Gafsa and Siliana and this in a progressive manner.

The radius of action of the Office comprises, initially, the following delegations:

- Governorate of Kasserine: delegations of Tala, Foussana, Jedliane, Sbiba and part of Sbeitla;
- Governorate of Sidi Bou Sid: delegations of Jelma and Beknassi;
- Governorate of Gafsa: delegation of Sned and part of delegation of Gafsa-North;
- Governorate of Siliana: delegations of Bouhiz and Bakthar.

The whole in conformity with the annex plan to the present law. The radius of action can be extended later on by decree to other governorates and delegations.

The head office of the Office is fixed at Kasserine. It may be transferred, nevertheless, to another locality by decision of the Administrative Council, approved by authority of the over-all control.

Article 3. The general mission of the Office is to promote integrated development in its area of action.

To this end and in relation with the services and organizations concerned with development it has responsibility for:

- 1) encouraging the exploitation of the land in function of its resources and best use;
- 2) proceeding to the exploitation of the alfa grass cover for the pro-

motion of the alfa sector, as well as the rational organization of the alfa harvest and the establishment and exploitation of artificial plantings with a view to meeting the needs of the country for cellulose products;

3) proceeding to the regularization and adaptation of land tenure to the requirements of agricultural development;

4) organizing and leading an extension action, particularly with a view to suppressing illiteracy among adults, encouraging citizens to practice family planning methods, and facilitating the formation of professional groups in relation with specialized organizations and services;

5) helping agriculturists to obtain credit, supplies of inputs and services, and markets for their products;

6) supervising the execution of water and soil conservation works;

7) executing works of socio-economic infrastructure by means of sub-contracting with various organizations of an official, semi-official or private character;

8) promoting development of non-agricultural enterprises by providing technical assistance to the organization and management, and by facilitating their access to sources of capital;

9) and in a general way to execute all missions which entrusted to it by the government and intended to further the development, the improvement and the organization of agricultural activities in its area of responsibility.

Article 4. The Office de Développement de la Tunisie Centrale is administered by an Administrative Council comprising representatives of the Ministries of Agriculture, Plan, Finances, Industry, Mines and Energy, Public Health, Equipment, and Social Affairs, representatives of the regional authorities, of the Destourian Socialist Party, of national organizations, and of agriculturists concerned.

A decree will fix the administrative and financial organization of the Office de Développement de la Tunisie Centrale, as well as its working rules.

Article 5. In the event of dissolution of the Office de Développement de la Tunisie Centrale, its assets will return to the State which will execute the undertakings contracted by the Office.

The present law will be published in the Journal Officiel of the Tunisian Republic and will be executed as law of the State.

Done at Tunis, the 1st of August 1978  
For the President of the Tunisian Republic and by delegation  
Prime Minister  
Hedi MOURA