

**The "New Directions" Mandate:
Studies in Project Design,
Approval and Implementation**

volume two

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OFFICE OF RURAL DEVELOPMENT AND DEVELOPMENT ADMINISTRATION
AGENCY FOR INTERNATIONAL DEVELOPMENT

THE "NEW DIRECTIONS" MANDATE:
STUDIES IN PROJECT DESIGN,
APPROVAL AND IMPLEMENTATION

VOLUME TWO

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INTRODUCTION

The contents of this volume constitute a significant portion of the data base for the analysis appearing in the first volume of this study. The following paragraphs contain a brief description of the data base for each of the 12 projects studied. The projects are divided into three sections: project summaries, content summaries and project chronology. Other data not specifically included in this volume also served as the basis for Volume One.

PROJECT SUMMARIES

The project summaries appearing in Chapter One of Volume One are repeated in this volume. It should be noted that the project descriptions included in these summaries represents the project in its final form. This is significant, since several projects went through a number of important changes as they moved through the design/review/approval process.

CONTENT SUMMARIES

The content summaries are presented in matrix fashion, which permits the reader to grasp quickly the essential ingredients of

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each project and how they changed through time.¹ More specifically, each row in the content analysis represents a project characteristic, while each column represents a project document. By looking from left to right along each row, one can see what happened chronologically to a particular project component. By looking down a column, one can gain a concise picture of critical characteristics for a particular project document.

The "content matrices" were constructed in the following fashion:

- The project documents were read through and all passages relevant to each project characteristic classification were extracted literally from the papers and grouped together;
- These literal "groupings" served as the basis for the summary descriptions appearing in the content matrices appearing in following pages.

To ensure a reasonable degree of objectivity and comparability among projects, two staff members, neither of whom were significantly involved in any of the project designs, prepared the content summaries. The content summaries are based entirely on what was written; they do not reflect implicit intentions.

¹ The essential ingredients are those arrived at in E. R. Morss, J. K. Hatch, D. R. Mickelwait, C. F. Sweet, *Strategies for Small Farmer Development* (two volumes), Boulder, Colo.: Westview Press, 1976, referred to as the *Strategies* report.

By examining the project summaries alone, one can see that changes took place but not why these changes took place. This is intentional; Volume Two constitutes a partial data base for the study. Those causal inferences that we feel are important, and feel we can make, appear in Volume One.

PROJECT CHRONOLOGIES

The project tracings are a chronological history of relevant project happenings as reflected in cable traffic and government memos available to us, as well as DAI correspondence. There are several important qualifications relating to this information that are noteworthy. In the first place, we do not have complete documentation on any country, and in some countries the problems are worse than in others. We made every effort to obtain all the necessary paperwork, but we were unable to obtain all relevant information, as Volume One points out in more detail. The second important qualification is that what we present here is necessarily a condensed version of all the paperwork that we were able to obtain. However, we have attempted to include a broad cut at the available information in the hope that others would have sufficient information to draw their own conclusion.

WHAT WAS NOT INCLUDED

The firm conducted a considerable number of interviews with persons both within and outside of the government. In each instance, a memorandum was developed, but these were not included in Volume Two, largely to protect individuals who had been quite candid.

We attempted to develop some financial breakdowns of how project monies were to be spent. These were also omitted because there was no consistent financial classification structure that would have allowed interesting inter-project financial comparisons. In addition, we attempted to develop narrative information on the development priorities of host countries, the evaluation of primary implementing agencies, the Mission's development policy, and the background of DAI's involvement in a project. These were also omitted, either because they were not fundamental to the analysis, or because no consensus could be reached concerning what would be appropriate characterizations.

The following table, which also appears in Volume One, gives the formal designations of the projects and the titles adopted for this work.

It is inevitable that project references have changed as the documents have proceeded through the system. Every effort has been made to use the current references and to maintain consistency among the projects.

TABLE 1

PROJECTS PROVIDED DESIGN ASSISTANCE, 1975-1977

<u>Formal Name(s)</u>	<u>Country</u>	<u>Project No.</u>	<u>Cited As</u>	<u>Short Title</u>
Rural Development Project Redesigned Phase I	Afghanistan	306-0131	Afghanistan Integrated Rural Development Project	Afghanistan
Small Farm Management and Technology	Chile	513-0313	Chile Farm Management Project	Chile
Small Farmer Development	Colombia	514-0203	Colombia Small Farmer Develop- ment Project	Colombia
Southern Gemu Gofa Area Rehabilitation	Ethiopia	663-0210	Ethiopia Rehabilitation Project	Ethiopia
District Planning/Rural Development (Phase I)	Ghana	641-0073	Ghana District Development Project	Ghana
Integrated Agricultural Development	Haiti	521-T-008	Haiti Integrated Agricultural Project	Haiti
Niamey Department Develop- ment - Phase I	Niger	683-0205	Niger Department Development Project	Niger
Agriculture Manpower Development	Tanzania	621-0119	Tanzania Farmer Training Project	Tanzania - FT
Arusha Planning/Village Development Project	Tanzania	621-0143	Tanzania Village Development Project	Tanzania - VD
Oncho Areas Village Development Fund	Upper Volta	686-0212	Upper Volta Oncho Project	Upper Volta - OP
Women's Roles in Develop- ment	Upper Volta	686-0211	Upper Volta Women's Project	Upper Volta - WP
North Shaba Maize Produc- tion	Zaire	660-0059	Zaire North Shaba Project	Zaire

AFGHANISTAN INTEGRATED RURAL DEVELOPMENT PROJECT
SUMMARY

Description¹

The integrated rural development component of the Rural Works Project Amended (PP 2) will:

- Support the Rural Development Department's efforts to develop an area-specific rural development strategy; and
- Give the Mission access to the organizational setting of rural development in Afghanistan.

Total AID Funding

PP 2 \$80,000 grant (IRD portion only)²

Duration

Five years

Design/Approval Process

	<u>Document Submitted</u>	<u>DAI Involvement</u>	<u>Time Elapsed</u>	<u>Document Approved</u>
PID	-	-	-	-
Rural Works PP	1/22/75	-	-	-
DAI Study	11/28/76	✓	-	-
PP 1 ³	1/29/77	-	-	-
PP 2	6/14/77	-	2 months	8/26/77
Pro/Ag Signed	-	-	1 month	9/18/77

Total Design/Approval Time

Rural Works PP through Project Agreement 2 years, 8 months

Status October 1977

The IRD portion of the project as designed is in limbo. Further action on the project will await the new Mission Director's review of the Afghanistan program and the posting of a new rural development officer to the country.

¹ The project description in the following case studies reflects the content of the last Project Paper.

² The funding level for the rural development component of PP 2 is estimated from the description of activities to be performed.

³ Both PP 1, PP 2 are amendments to the Rural Works PP as defined herein.

AFGHANISTAN INTEGRATED RURAL DEVELOPMENT PROJECT

CONTENT SUMMARY

	<u>First Paper</u> Rural Works PP	<u>Second Paper</u> DAI Study	<u>Third Paper</u> PP 1	<u>Fourth Paper</u> PP 2
1. Goal/Purpose	The project goal is to raise family income five to ten percent over a three-year period and strengthen linkages between local people and the government.	The project for the Mohammad Agha district is an experiment intended to improve upon the government's ability to respond to rural population needs. The objective of the project is to define a replicable rural development methodology within the financial capability of the government, which, in a second phase, can be extended to other districts within the same province and to other provinces.	The purpose of this project is to help the rural development department (RDD) to respond more effectively to the needs of the rural population, in order to bring about improved village access to markets and social services, improved and better distributed small farmer incomes, self-generated and sustained local development.	The purpose of the integrated rural development component of the project is twofold: to support the Rural Development Department's (RDD's) efforts to develop an area-specific rural development strategy, and to give the Mission access to the organizational setting of rural development in Afghanistan.
2. Implementing Techniques	The project will develop and experiment with a comprehensive rural development program for three districts of three provinces. In devising an experiment, consideration will be given to education, health delivery, cooperatives, small industries, and (Continued)	The project goal will be attained by joint planning and coordinated implementation of a district development program by agencies of the government; the systematic identification, testing and adaptation of new technology to increase agricultural productivity, production and income; and the establishment of viable local institutions to (Continued)	The Integrated Rural Development (RDD) component of this project will attempt to identify the processes by which self-sustaining rural development programs can be developed in one area for subsequent replication in other areas of the country.	Nothing.

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	<u>First Paper</u> Rural Works PP	<u>Second Paper</u> DAI Study	<u>Third Paper</u> PP 1	<u>Fourth Paper</u> PP 2
2. (Continued)	(Continued) credit as well as rural works.	(Continued) ensure effective participation of the community in establish- ing priorities in development plans, self-perpetuating gains in agricultural produc- tion, and broad distribution of the benefits of these gains in income to the villagers.		
3. Funding Level AID Contribu- tion	\$180,000 grant	--	\$855,000 grant (IRD portion only)	Estimated \$80,000 grant (IRD portion only)
4. Time for Planning/ Flexibility	To do more than experi- ment with comprehen- sive rural develop- ment is at present premature.	Experimentation will be under- taken by establishing a range of potential activities, pro- gram implementation tech- niques, and learning by sys- tematic data collection and analysis, the most efficient processes to bring about de- velopment to rural Afghani- stan.	The IRD component is an ex- periment that will seek to establish a range of poten- tial objectives, programs and implementation tech- niques by which the project objectives can be achieved. There are many pitfalls on the road to success in this experiment. The only way to find and overcome them is to start and see what they are.	Nothing.
5. Small Farmer Involvement in Decision- making	Targets for each dis- trict would be deter- mined with local people, RDD and USAID/ Kabul and approved by the Prime Minister.	The project recommends the process of institutionalizing the broadest possible parti- cipation in the setting of priorities, the decisionmak- ing leading to commitment of external and local resources and to more equality in bene- fit distribution.	An indicator of success will be the establishment of 30 village-level decisionmaking forums. The experiment will seek to identify village de- cisionmaking for kinship groups and water-use groups, etc., which could serve to establish village priorities (Continued)	Nothing.

	<u>First Paper</u> Rural Works PP	<u>Second Paper</u> DAI Study	<u>Third Paper</u> PP 1	<u>Fourth Paper</u> PP 2
5. (Continued)			(Continued) and local participation in development efforts designed to meet their needs.	
6. Small Farmer Resource Commitment	Nothing.	Farmers will be asked to use improved agricultural technologies, to test the technologies on their own land, and to collect information. Indicators of success include: (a) 75% of priority activities are identified, including local commitment of all unskilled labor and local material requirements; (b) 25% of these activities include commitments of financial resources covering at least 50% of total costs; (c) in 75% of micro-projects completed, local population provided 100% of its promised voluntary contribution.	Same as DAI study.	Nothing.
7. Increased Planning and Economic Capacity of Local Organi- zations	Nothing.	A function of the village development worker will be to help formalize the existing organizations if they are found to be viable development vehicles, or to help potential users establish new organizations as appropriate. It is to be hoped that some form of organization can be built up and monitored once the project is completed. A success indicator for the (Continued)	Same as DAI study.	Nothing.

	<u>First Paper</u> Rural Works PP	<u>Second Paper</u> DAI Study	<u>Third Paper</u> PP 1	<u>Fourth Paper</u> PP 2
7. (Continued)		(Continued) project is to develop local capacity to decide upon priority activities and contribute to development activities.		
8. Information Systems	No explicit mention is made of an information system. However, the emphasis on experimental design implies strongly that such a system will be necessary.	The information system will monitor the flow of resources; provide information on target population activities, conditions, behavior and attitudes; measure output performance level against planned target; measure impact of the project on the target population; identify the key factors that contributed to the ability of the project to attain objectives; monitor key assumptions or other possible conditions that could endanger a successful project implementation; identify the processes of rural integrated development that have potential for replication; and process and report findings as needed for the different levels of decisionmaking, from the villager to the senior government official.	Same as DAI study.	Nothing.

	<u>First Paper</u> Rural Works PP	<u>Second Paper</u> DAI Study	<u>Third Paper</u> PP 1	<u>Fourth Paper</u> PP 2
9. Specification of Need and Mechanism to Make Project Benefits Self-Sustaining	Nothing.	Viable local institutions will be established to ensure self-perpetuating gains in agricultural production. The project will attempt to identify the processes by which a self-sustaining rural development program can be developed in one area of subsequent replication in other areas of the country.	Same as DAI study.	Nothing.
10. Organizational Plans for Implementation	Though the new organizational chart reflects comprehensive rural development, the Rural Development Department (RDD) has no qualified personnel to fill the various offices except for engineering. It is premature to initiate a comprehensive integrated rural development program.	Professional staffing will differ from the usual RDD regional rural development programs. RDD will not assign professionals for fields where the line ministries already have specialists. Instead, RDD will create a planning staff that will employ one person in the following specialties: economics, anthropology, sociology, statistics, engineering and women's welfare. The professional staff will be responsible for monitoring and implementing the plans, directing the work of the field staff of village-level workers, and drawing conclusions from experience to improve the next cycle's programs. The Provincial Directorate will have control, under the authority of RDD of a separate budget to pay for (Continued)	For the first time, RDD's role will be that of coordinator rather than sole implementer. A new planning unit at the provincial level will be established to advise the provincial governor on district and provincial development. The general director of the unit will be the provincial representative of RDD. Assisting him will be RDD professionals in fields with no line ministry specialists, specifically economists, anthropologists, sociologists, statisticians, an engineer, and a women's welfare advisor. The unit, the director of general provincial development, would be responsible for the formulation and implementation of the development plan for the district. The plan (Continued)	Nothing.

	<u>First Paper</u> Rural Works PP	<u>Second Paper</u> DAI Study	<u>Third Paper</u> PP 1	<u>Fourth Paper</u> PP 2
10. (Continued)		<p>(Continued) the special activities required by the project. The funds to be expended by RDD at the central government level (or perhaps transferred to other line ministries for a specific support item under the project) would remain at the central office of RDD until expenditure is requested by the Provincial Directorate. The key figure on the interaction with the local population will be the village-level worker, operating under the guidance and the plan established by the provincial development directorate.</p>	<p>(Continued) would include the regular activities of the technical ministries in Mohammad Agha, as well as special development activities agreed to be desirable. The plan would be reviewed by the governor, the president of RDD, the high council for rural development, and any other necessary authority. The directorate would be responsible for setting the schedule necessary to carry out the plan. The village workers would be the main directorate representatives in the village. RDD and the Mission will review and approve the special development budget of the directorate and devise procedures for its funding.</p>	

PROJECT DESIGN/APPROVAL CHRONOLOGY

1/22/75 Rural Works PP submitted.

1/25/76 Memo USAID/Kabul Rural Works Project Manager to Chief Rural Development Office.

The memo discussed "initial integrated rural development projects in the Ghorband District of the Parwan Province." Before DAI had arrived, the Mission provided some preliminary assistance to an integrated rural development effort in the Ghorband District. This effort, which was managed by and sponsored primarily by the Indian Government, was considered a possibility for the first major AID integrated rural development effort in the country.

3/31/76 Cable USAID/Kabul to AID/Washington.

In December 1975, RDD identified three provinces for preliminary surveys of integrated rural development activities. At the conclusion of these surveys, which had already begun, RDD would recommend three districts and three provinces for field-testing of integrated rural development experiments. It was anticipated that, by September 1976, RDD would have completed one integrated rural development design and launched at least one experiment in one district of one province.

4/14/76 Memo USAID/Kabul Chief, Rural Development/Section of Development Projects to Mission Director.

The socioeconomic surveys being done by RDD for the rural works project needed to be improved, and the systematized procedures being worked up by the Rural Development Office for processing projects were needed.

4/19-
6/10/76 First DAI visit.

A DAI team evaluated the Rural Works Project, assisted the Mission in designing the methodology to be employed in the Central Helmand Drainage Evaluation, and presented a seminar on integrated rural development.

5/1/76 Memo USAID/Kabul to AID/Washington.

The Mission had been impressed with DAI's evaluation methodology and requested an extension of their

services for a week to ten days to help design a methodology for the Helmand Valley project. They expected an additional member of the team to arrive from Monrovia on May 16 for the rural works evaluation.

5/8/76 Memo USAID/Kabul Rural Development Officer to Senior Project Advisor.

He proposed to discuss the problems of the socioeconomic surveys with DAI and then to discuss the revised format with a committee composed of the Mission and DAI staff.

5/9/76 Memo USAID/Kabul Rural Development Officer to Chief, Rural Development Office.

The author suggested that the minor irrigation system project (MIS) could serve as a vehicle for developing an integrated rural development program. Moreover, this could be a way to start moving RDD from a public works department to an integrated rural development department. The Mission should hold a meeting with RDD and the Ministry of Planning to determine if the former was willing and able to take on the MIS project.

5/12/76 Memo USAID/Kabul Development Projects Officer to Mission Director.

The MIS project qualified for support under the Rural Works Project. A socioeconomic survey form that will be essential for this, as well as for other parts of the Rural Works Project, was being prepared by the Rural Development Officer and DAI.

5/18/76 DAI Seminar on Integrated Rural Development.

The firm held a seminar on rural development for Mission staff and Afghan government officials. Pursuant to this, DAI was asked to assist in the preparation of one of the integrated rural development efforts called for by the Rural Works Project.

5/25/76 Memo DAI to Chief, Rural Development Office.

The firm offered to write a short paper on a strategy for a comprehensive development program in Afghanistan. (It was penciled on the memo that the Mission wanted such a paper. It would be ready at the end of June.)

6/10/76 Cable USAID/Kabul to AID/Washington.

The Mission had requested a three-person team for two months beginning in August, under the TAB contract to help design a replicable, experimental integrated rural development project and to prepare a PP amendment to cover the Integrated Rural Development Section (IRD) of the Rural Works Project. They agreed with DAI that the solution-oriented approach was unlikely to work and supported the DAI-recommended process-oriented approach. The project was to be developed for Nangahar District, even though no agreement had been reached with RDD on a specific area. (DAI refused to develop a project in the Ghorband District because work there had started already and the approach did not seem promising.) The DAI team worked directly for the Chief of the Rural Development Office, who was responsible for the IRD Section even though it was monitored by the Senior Project Advisor.

10/9-
11/30/76

Second DAI trip.

A DAI team designed an experimental integrated rural development project.

10/24/76

Memo DAI to Chief, Rural Development Office.

The Government suggested the Mohammad Agha District for the integrated rural development project experiment. DAI staff investigated this district and concluded that the advantages of using it outweighed the disadvantages. Among the advantages were:

- The district was only 45 minutes from Kabul;
- There were variations in the project area that would permit opportunities for learning more about rural development (three major ethnic groups, different types of irrigation systems, different cropping systems, wide variety of income levels, different types of existing local organizations);
- Small farmers represented the majority of the population;
- A dam, built 30 years ago, could be refurbished to provide water for a large portion of the area's nonirrigated land;
- The population appeared willing to communicate with outsiders; and
- The area had relatively high levels of education, literacy and local savings.

The disadvantages were:

- Atypical characteristics of the project area, such as high level of education and literacy, high proportion of the population employed in Kabul and in other off-farm activities, expanding cash crop economy, ease of communication with local population, and existing local organizations; and
- A 50 percent chance that a new international airport would be constructed in the center of the project area.

Although the atypical characteristics would limit replicability to some extent, some of them would facilitate project activities so that replicable factors could be identified and utilized in a more timely manner. The experiment would stress a process approach, i.e., a means of identifying problems and solutions, rather than specific solutions for any particular area.

11/2/76 Cable AID/Washington to USAID/Kabul.

Although AID/Washington would support the Mission's choice of site for an experimental integrated rural development project, they were concerned about the selection of Mohammad Agha District for three reasons:

- Reports of severe disputes over water rights;
- Likelihood that commuters to Kabul labor market would reduce local participation in the rural development process; and
- History of the district as pilot for UN-funded, badly implemented community development project.

The project team should gather additional opinions and information on these issues prior to agreeing on a project site.

11/3/76 Cable USAID/Kabul to AID/Washington.

In response to AID/Washington's concern about the selection of Mohammad Agha District for the project, the Mission commented:

- The water rights disputes were not as bad as in other districts;

- The commuters represented a small percentage of the district population;
- Surveys showed that previous rural development activities here had not dampened the spirit of the local population for new development efforts; and
- Survey results to date demonstrated that the district was suitable for a pilot experiment.

11/3/76 Letter DAI to President, RDD.

While the traditional RDD organizational approach could work for one or two projects, limitations of the technical staff would make it impossible to replicate the process frequently. The author recommended that RDD plan, coordinate and fund integrated rural development projects and purchase the services of appropriate ministry personnel when needed. (The Mission agreed with DAI philosophy on this point, but refused to proceed in the sense of allowing DAI to go to the specific ministries until RDD had agreed with this approach.)

11/13/76 Letter DAI to President, RDD.

A preliminary draft description of the structure and operation of the planning unit of the project was enclosed.

11/28/76 DAI Study submitted.

DAI completed the design for the integrated rural development project.

12/29/76 Letter Chief, Rural Development Section of Development Projects to DAI.

The Mission reviewers had endorsed the DAI project. The author was meeting that day with the President of RDD and expected him to do the same.

1/11/77 Preliminary Review DAI Study.

1/12/77 Memo NE/TECH/SPHRRD, Issues Paper on DAI rural development study.

Several main issues were identified:

- DAI recommended using local institutions. What local institutions would be used, for what purposes, and

how would the inputs be planned and managed to meet local institutional differences and interests?

- The report did not analyze Afghan governmental or administrative operations in rural areas. Its focus on the district as the formal administrative/geographic point of initial intervention was questioned. Perhaps simultaneous interventions at the district and provincial level were needed. Alternatively, in the start-up phase of activities, the focus could be placed upon a few villages, ignoring the district and provincial levels. In fact, the author wondered if enough were known about administrative assistance to judge whether the DAI-suggested approach was viable or even needed, at least in the early stages of operation.
- In some specific production-oriented interventions, it did not provide an empirical understanding of the production/marketing factors, nor did it present a view of the interrelationships between factors of production. These gaps would not permit a rational evaluation of alternative interventions in terms of measurable payoffs. An outline of the capacity of the central government to respond to the project was presented, but there were many unanswered questions about how these agencies could be strengthened to perform locally. To what extent could Mission activities in the early stages of planning be programmed into the same rural development effort? Were existing AID-supported programs flexible enough to permit a shift of geographic content and focus toward the area selected for rural development efforts? (DAI held several meetings with the Bureau for Near East to discuss this project.)

1/25/77 Cable AID/Washington to USAID/Kabul.

AID/Washington reviewed the DAI report and made several comments.

- The focus on a process, rather than the delivery of services, seemed suitable, but was it accepted by the President of RDD?
- Although DAI had developed an adequate data base, more information was needed for a pilot project design. Specifically data were needed on: (a) types and roles of local institutions; (b) local governance and administration; (c) economics of local productivity systems; and (d) technologies of water and other productivity inputs;

- In light of knowledge inadequacies, it was recommended that the Mission consider concentrating on a single process related to one need, at least for a first stage. The supply and management of agricultural water might be a good candidate. It would permit applied research on cooperating local institutions and testing of several technologies related to water and management;
- If more than one approach were taken, it was suggested that potential interventions be limited; otherwise severe management problems would develop;
- Were incentives available and acceptable to the Afghan Government to work in rural areas?
- Because the district chosen and the model presented were not replicable in all provinces, there was additional reason to limit initial activities substantially and deal with only a few variables in a highly experimental but simple mode.

1/29/77 PP 1 submitted.

2/2/77 PP review.

4/3/77 Memo NE/TECH to USAID/Kabul.

More consideration of the experimental aspect of project design was needed. For an experiment to be replicable, developments in the project area should be compared to developments in a similar area.

4/4/77 Paper, *The General Concept behind the Rural Development Project*, NE/TECH and USAID/NE/DP.

This paper proposed a simpler design for district development than was suggested in the DAI report. It emphasized testing a replicable approach to district-level planning that could be used in the provincial planning program. It was proposed that the district development planning project be located in the area where the UNDP project, designed to employ provincial level planning similar to the Redbook System used in Malaysia in the late 1950s, was to be situated. This parallel district and provincial planning would facilitate the eventual replication of successful components of the integrated rural development project, promote the goal of integrating local, district and provincial planning and implementation of the development projects, and relate the integrated rural

development experiment to national-level development strategies. In effect, the experiment would be the "optimum package" where resource commitments in excess of generally replicable levels could be justified on the grounds that successful techniques and interventions proven in the test district could be selectively transferred to other districts. In time, and in conjunction with the rural development project results from other donor-financed rural development experiments, a proven cost-effective "minimum package" of rural development intervention could be identified that would be subject to general replication within budget constraints of the Government of Afghanistan (GOA). Under this approach, the integrated rural development section of the overall budget would be reduced to one field technician having strong technical skills in agriculture and experience in farming and other rural development activities. The integrated rural development experiment would be one of three: The other two would involve rural works and irrigation activities.

4/4/77 Memo USAID/Kabul to NE/TECH.

Citing prior documents to prove that AID/Washington agreed to use Mohammad Agha District for the project, the author remarked, "I believe that to reopen the question with the GOA now would destroy our credibility and jeopardize our current good relations with RDD. I am not willing to do either."

4/5/77 Memo for the record NE/TECH.

AID/Washington agreed to the Mission's site selection because the choice of a site in field experiments is central to good project design and because experiments are intentional applications of the scientific method. When the Mission accepted the GOA's selection of a site for the project, it appeared that the first point was not clearly understood. In consequence, the essential requirement for experimentally sound site selection was neglected. The author concluded that the choice of the Mohammad Agha District would seriously diminish the utility of the experimental findings, and suggested several alternatives:

- Design an experimental project with sufficient controls on external variances. (He indicated that he did not feel he was able to develop such a design.);

- Develop acceptable site criteria and identify a list of experimentally sound district sites from which the government and Mission could choose collaboratively;
- Retain the existing district choice, eliminate the experimental component of the project and provide \$60,000 worth of rural infrastructure; or
- Eliminate the district component altogether from the PP on the ground that the project requirements and the government wishes were irreconcilable.

5/7/77 Cable AID/Washington to USAID/Kabul.

Project development would be based on the Concept Paper of 4/4/77. The following issues had to be addressed before the PP was submitted:

- Redbook approach (the Malaysian model) implied defining essential inputs, scheduling their use, and monitoring them. In the proposed district model, the extent to which early interventions would bypass the planning process was unclear.
- What would distinguish district planning from provincial planning?
- The DAI design, stressing a process early in the experiment, was endorsed by AID/Washington because RDD should not be helped to deliver more inputs that other line agencies were supposed to deliver. Therefore, if short-term interventions were required to interest RDD, it should be remembered that Afghanistan experience with "learning while doing" through social surveys had not been successful so it would be necessary to explain how the proposed activity was different;
- It was essential that the model be replicable throughout the country, and that the planning emphasis be preserved in the design;
- A March 22 concept paper (not the concept paper written on April 4) suggested that an additional 30 or more rural development people work in the pilot district. That number of people on the government payroll would raise replicability issues. While AID recommended that the Mission revise the PP, numerous

conceptual issues had to be resolved with RDD, including: What was the proposed site? Was there an agreement between UNDP and RDD to integrate the project with UNDP's provincial planning concept? Was the timing of the two efforts compatible? Were sufficient economic and social data on the new site available to proceed with the project proposal submission, keeping in mind that one of the problems the DAI proposal noted was the compressed time schedule they were adhering to, resulting in insufficient data bases and lack of agreement with the government on fundamental conceptual issues?

In order not to lose project momentum, it was recommended that the Mission submit the PP amendment for the irrigation systems and rural work systems separately from the integrated rural development component.

5/11/77 Cable USAID/Kabul to AID/Washington.

Despite a statement in a prior cable from Washington that the 4/4/77 concept paper should serve as a basis for proceeding with the design, questions raised later in the cable suggested fundamental differences of opinion between the Mission and AID/Washington. The most basic difference was AID/Washington's view that RDD should not be helped by AID "to deliver inputs that other line agencies are supposed to deliver in rural areas." Since the central thesis of the revised paper was that RDD should act as an intermediary between villagers and line ministry representatives and provide inputs that line ministries could or would not provide, at least in initial stages of experiment, it would seem that "we have not moved from square one."

Another basic difference appeared to be that AID/Washington insisted on the establishment of an extensive data base as a prerequisite for designing the integrated rural development experiment. The Mission considered this to be the first step in implementing the design. "The purpose of the RDD experiment is to provide answers. If answers are already available, there is no need to experiment." They feared the GOA would feel AID was simply embarking on another survey. Before proceeding with the project design, the Mission would wait for AID/Washington's comments.

6/14/77 PP 2 submitted.

The integrated rural development component of the revised PP had been reduced to the technical assistance of a rural development planning advisor.

This function was twofold: to support the natural effort of RDD to develop an area-specific rural development strategy, and to give the Mission first-hand access to the organizational setting of rural development activities in the country.

- 7/11/77 PP Committee review.
- 7/20/77 PP--Near East Advisory Committee review.
- 8/8/77 Cable AID/Washington to USAID/Kabul.

The Near East Advisory Committee met on July 20 and approved the Rural Works PP.

The project title ought to be changed to "Rural Development Project" since the scope of work had been broadened. The funding level was intended to provide sufficient time and flexibility, both to evaluate current rural works projects and to develop a general integrated rural development concept.

- 8/26/77 PP approved.
- 9/2/77 Rural Development Project authorized.
- 9/18/77 Project Agreement signed.

CHILE FARM MANAGEMENT PROJECT

CONTENT SUMMARY

	<u>First Paper</u> Interim Report	<u>Second Paper</u> PP
1. Goal/Purpose	The project will increase net farm income and productivity of reform sector small farmers and test new agricultural technologies.	The project will increase net farm income and productivity of the newly titled land reform and other small farmers and do adaptive testing of technological packages.
2. Implementing Techniques	<p>Regional service centers with a core technical staff will each support five local service units with one agronomist and ten paratechnicians serving 500 farmers. Farmers will be assisted in maintaining and analyzing farm performance through a farm record system.</p> <p>Testing of technology on farmers' property will be supported by a revolving credit fund. Coordination will be through a national project office.</p>	<p>Existing cooperatives will be aided through loans to establish Technical Service Units (TSUs), whose professional staff, technicians and paratechnicians will assist farmers in maintaining farm records and planning and comparatively analyzing farm performance. GOC-distributed coupons will be used by GOC-approved farmers in the first years to pay for service. A Joint Cooperative Board (JCB), in coordination with the National Commission for Technical Assistance, will oversee the project and recruit and select cooperative participants. The JCB will also identify and fund technology experiments by cooperatives with TSUs.</p>
3. Funding Level AID Contribution	\$4,150,000 (\$4,000,000 loan, \$150,000 grant)	\$2,600,000 loan

	<u>First Paper</u> Interim Report	<u>Second Paper</u> PP
4. Time for Planning/ Flexibility	Year One can be considered a pilot project, which implies that the project's complete information system must be tested and ready for implementation early in this year in order to have an adequate data base to reach valid conclusions on experimental approaches used. The project has virtually two complete years to develop a viable strategy or instrumentality for achieving collaboration with other rural sector institutions. A special revolving fund of \$100,000 per CATE (regional service center) would be established to finance local field-testing of new technology.	At the end of the first year's experience, farmers will discuss with agricultural technicians the relative results of the TSU comparative analysis of farmers. A fund will be available to the cooperatives participating in the farm management project for the purpose of undertaking farm level demonstrations, problem-solving research, and other activities on a limited or pilot scale to improve advice in future years. In an explicitly experimental effort such as this, flexibility is required in identification and funding of novel or innovative technologies. Each year's cycle will allow time for modification and improvement of local management techniques, as well as adoption of locally tested technologies.
5. Small Farmer Involvement in Decisionmaking	Any useful service provided by Chilean small farmers can carry with it a charge based upon the benefit obtained from the service to be paid by the farmers. This makes joint collaboration with the farmers a requirement. Further, farmers would have to approve each paratechnician with whom they worked.	Through the maintenance of records and continued action with professional and technical staff of the TSU, the farmer will gain knowledge necessary for longer-term farm development planning. Satisfactory criteria must be established by the Intermediate Rural Technology (IRT) section for the selection and implementation of pilot projects to include a methodology that maximizes farmer participation in the field tests. Farmers will select the cooperative with which they will work and can exercise choice over their continued participation in the project and cooperative.

	<u>First Paper</u> Interim Report	<u>Second Paper</u> PP
6. Small Farmer Resource Commitment	Any useful service provided by Chilean small farmers can carry with it a charge based upon the benefit obtained from the service to be paid by the farmers. This makes joint collaboration with the farmers a requirement. Farmers would ultimately shoulder the entire burden of payment for the services.	Small farmers will be subsidized only through the first years; their participation in other activities of the cooperative will determine its ability to continue offering the service. Farmers will be expected to pay directly for some part of the service. Satisfactory criteria for the selection and implementation of pilot projects include adequate contractual guarantees committing the cooperative to sharing with the farmer the risk inherent in experimentation.
7. Increased Planning and Economic Capacity of Local Organizations	The project will assist in the organization of agricultural producers to obtain credit, utilize improved technology, market cooperatively and increase their collective bargaining power with the agricultural sector in Chile.	The JCB will be formed to assist rural cooperatives that want to participate in the national program. Cooperatives will be assisted in identifying new farm practices and other technologies that have potential for increasing the income of their members. Thus, the cooperatives' volume of activity will increase along with their improved services to farmers.
8. Information Systems	The proposed project information system consists of three components: (1) farm-level data collection instruments; (2) statements and analytical reports to be provided by the farmer; and (3) project evaluation and monitoring. Of all the components of the project requiring refinement as the pilot test is carried out and the project develops, the farm-level information system is the most critical.	This is similar to the Interim Report, except that by the end of the third year of the project, a data collection and analysis system will have been institutionalized in the JCB. An end-of-project report will be prepared using the results of three crop years of data on the original clients of the program, as well as second- and first-year data. The farm records should provide a detailed account of three basic enterprise lines, as chosen by the farmer, as well as a determination of overall farm performance.

	<u>First Paper</u> Interim Report	<u>Second Paper</u> PP
9. Specification of Need and Mechanism to Make Project Benefits Self-Sustaining	Private sector self-sufficiency is government policy. Complete project self-sufficiency is expected at the end of seven years, by which time total farmer contributions (cash payments for services) will nearly match the total of AID and host country government contributions combined. Payments will be covered by increased income.	Self-sufficiency within the cooperatives movement conforms with GOC policy. Increased volume of cooperative activity will make the management service self-sufficient as part of a broader cooperative structure.
10. Organizational Plans for Implementation	The executing agency will be the Agrarian Reform Training and Research Institute (ICIRA). ICIRA will form a specialized project office for purposes of administering, coordinating, evaluating and staffing the project. A two-tiered institutional structure for service delivery is contemplated. It consists of <u>local service units</u> (one agronomist and ten paratechnicians to serve 500 farmers) and <u>regional service centers</u> called CATEs (with a core staff of two accountants and three crop specialists) to provide back-up managerial and technical support to a minimum of five local service units (2,500 farmers).	The JCB will be formed and supported by IFICOOP, a private cooperative development bank, and COPAGRO, a confederation of agricultural cooperatives. The Board will have a small permanent staff that will: (a) assist rural cooperatives that want to participate in the Farm Management Improvement (FMI) program, and (b) administer the IRT activity. The National Commission for Technical Assistance will be in charge of overseeing the national project and coordinating subsidy distributions as well as maintaining standards.

PROJECT DESIGN/APPROVAL CHRONOLOGY

- 12/74 A meeting was held between a UNDP representative and the USAID Mission Director about supporting a project of the Agrarian Reform Training and Research Institute (ICIRA).
- 1/75 ICIRA asked the Mission to help design a farm management project.
- 2/75 IRR submitted.
- The Development Assistance Executive Committee (DAEC) reviewed the Financial Management Training for Small Farmers IRR.
- It was made a "shelf" item in the FY 1976 Congressional presentation.
- 9/10/75 Letter DAI to LA/DR.
- The firm discussed the possibility of cooperating with the Mission in Chile in developing an information system for a projected project, or for other projects as design or evaluation requirements developed.
- They had reserved time in late October for several members of the firm to travel to Chile.
- 10/75 First Grant USAID/Santiago to ICIRA.
- The Mission provided \$11,500 to finance advisory services to the Agriculture Economics Department of the Universidad Católica de Chile to design a project.
- 10/19-
11/7/75 First DAI trip.
- A DAI team visited Chile to assist ICIRA in writing an information system for the proposed Farm Management Service Centers (CATE) project. Because the proposed project had not been clearly defined, DAI was invited to assist in the design. Discussions led to a plan to initiate a pilot CATE project in December. It was recommended that a DAI team visit the pilot project to assist in the implementation.
- 11/7/75 Memo DAI to TA/DA.
- The team assisted ICIRA in identifying the services that would be needed by the recipients of the redistributed farm land.

These farmers were being encouraged to form loosely structured organizations called the Society of Agricultural Cooperation (SOCA). A SOCA was not a cooperative, but an affiliate (as an institutional member) of a multipurpose or regional cooperative. Because it was such a flexible unit, it was difficult to define the type of service it would need or the most appropriate institutional supra-structure to support its farm management services. The project they had designed would train a farm management assistant for each SOCA to help farmers make production decisions.

12/4/75 Memo Consultant to TA/DA.

After reviewing the DAI design for the pilot Chile CATE, he commented that the education level specified for paratechnicians (high school) would not provide sophisticated farm management advice without intensive training. Their main contribution would probably be in accounting and marketing, rather than farm planning. It was unlikely that the farmers would be willing to pay for these services after four years, as suggested.

1/19-20/76 DAI seminar.

This in-house seminar was held in Washington to prepare the staff for a second visit to Chile to test certain data collection instruments for the CATE pilot projects.

1/24-
2/8/75 Second DAI trip.

The same DAI team visited Chile a second time to provide technical assistance in the design of a project to create farm management service centers to support beneficiaries of the Chilean Agrarian Reform. These CATES would be staffed by paratechnician rural residents, to be selected jointly by the project and participating farmers. They would be trained to take farm inventories, supervise record keeping, and provide general liaison with outside institutions. DAI technical assistance was directed primarily at developing an information system for measuring differences in farm performance between producers and explaining these differences.

2/13/76 Memo DAI to TA/DA

DAI proposed to send a four-person team to Chile to assist in preparing the PP.

3/15-
4/2/76

Third DAI trip, Interim Report designed.

A team met to design a project for farm management training.

The plan had been that ICIRA would produce a draft project before the DAI team arrived. To assist in this effort, DAI had sent its Peruvian consultant three weeks ahead of the rest of the team. Nonetheless, no project had been drafted when the entire group convened on March 19. The Mission and DAI decided that a PP could not be written by the deadline, and that at best an Interim Report in a PRP format could be produced. DAI set out to write this, and the Chileans continued with their Spanish draft. By the deadline it was apparent that two significantly different project proposals had evolved. The ICIRA version was designed to reach 15,000 farmers, the DAI version 30,000; the ICIRA version estimated a cost of \$120 per client per year to be paid by the farmer out of increased harvest income, the DAI version estimated a cost of \$75 per client per year with a declining project subsidy spread over four years. ICIRA wanted the paratechnicians to be high school graduates who would receive \$150 per month (four times the minimum agricultural wage); DAI viewed the paratechnicians as earning \$100 per month and needing only a basic arithmetic knowledge.

5/3/76 Interim Report submitted.

5/5/76 Letter USAID/Santiago to DAI.

There was to be a formal review of the Interim Report, which the Mission had asked AID/Washington to schedule in June so someone from the Mission could attend the meetings.

6/76 Second Grant USAID/Santiago to ICIRA.

The Mission granted another \$11,500 to ICIRA to fund a pilot project to test several recommended extension methodologies to provide farmer needs.

6/9/76 Memo LA/DR, Issues Paper for Interim Report.

The following issues were important to discuss and clarify during the review of the Chilean Farm Management Report:

- The effect of slow land reform and lack of a policy on land redistribution;

- ICIRA's function;
- The information system;
- The rationale for combining technical assistance and a credit fund for new technologies;
- The role and skills of paratechnicians;
- The four possible models for CATEs;
- Credit;
- The need for a \$150,000 grant for technical assistance; and
- The status of the pilot project.

6/10/76 DAEC review.

6/17/76 Memo DAI to TA/DA.

A meeting was held on June 16 between DAI, LA/DR, TA/DA, and the Mission. They decided that the firm's Peruvian consultant should proceed to Chile ahead of the Project Paper design team to resolve several issues, including the establishment of a pilot project to test unresolved issues.

According to Mission staff, the assistance provided by the Technical Assistance Bureau to date had been crucial in the development of this project.

7/8/76 Cable AID/Washington to USAID/Santiago, IRR approved.

The DAEC had reviewed and approved the Interim Report. The following issues had to be clarified in the preparation of the Project Paper.

- An appraisal of the land reform policy and performance, including the pace and status of parcelization of the asentamientos and distribution of non-land assets, was needed. There appeared to be a danger of a reversal due to the consolidation of holdings in the reform sector, and the number and characteristics of people leaving the asentamientos, because of the land distribution process.
- An examination of the relationship between government and the private sector in serving farmers had to be undertaken in order to provide assurances that this project was not encouraging the curtailment of normal government services.

- Provision to evaluate periodically whether or not the projected benefits were reaching the poor and needier reform sector farmers had to be made.
- The institutional arrangements for the project had to be described in detail.
- The intensive review had to examine ways to design the information system so that confidentiality would be maintained for participating farmers.
- Illustrative examples of new technologies to be disseminated to reform sector farmers were needed.
- The role and professional qualification for the paratechnicians were to be clarified.
- The evaluation plan needed to be developed with Chilean counterparts and designed to serve their interests. One essential element of the evaluation plan was to be a comparison between farmers participating in this project and the control group.
- Assurance was needed that sufficient agricultural production credit would be available for participating farmers.
- The grant portion proposed in the Interim Report was to be eliminated, and the proposed activities included in the loan portion or outside funding.
- Experiences gained from the pilot project had to be incorporated into the PP design. If the PP were submitted prior to the completion of the pilot project, a description of how the pilot project results would be included in the project design was needed.

7/3-
8/5/76

Fourth DAI trip.

DAI visited the CATE pilot project in an effort to resolve several questions: the role of paratechnicians, credit, host country financial contribution, CATE management, farm income data and information systems.

10/3/76

Report on fourth DAI trip, visit to Chilean CATE Pilot Project.

The pilot CATE project started with several modifications from the strategy suggested in the Interim Report. Paratechnician had been redefined to mean tecnico agronome and, at the field level, voluntary

coordinators were created. ICIRA had decided not to collect, during the first year, sufficient data to measure net farm income, limiting data collection to measuring net income per crop for a farmer's three most important crops.

11/23-
12/2/76

Fifth DAI trip, Review of Farm Management Pilot Project.

A DAI team visited the pilot project in Curico. The project was essentially one local level unit, without the supra-ordinated structure recommended in the Interim Report. It lacked adequate monitoring by ICIRA and had not experimented with various extension techniques in a rigorous manner, seriously reducing the utility of the results that might be derived.

The team also visited a CRATE (Central Regional de Asistencia Tecnica y Empresarial) project in Talca, developed by Alberto Ruiz Tagle with assistance from the Dutch Catholic Church. After visiting these two projects, the team made recommendations for designing a PP. They were:

- The PP should be written immediately to coordinate with the beginning of the agricultural year;
- Project components should be presented to the field staffs of CATE and CRATE projects for their participation in the design process;
- Adequate credit must be made available for project success;
- The farm management training program had to include a major component of small farm technology research and dissemination.

During this trip the DAI team discussed the project with the Mission Director, who wanted an appropriate technology project. There was pressure from Washington to cut either the proposed appropriate technology project or the farm management project. The DAI team discussed the advantages of putting the two concepts into one project.

Another issue that had not been resolved was that of the institutional framework for the project. The original implementing agency, ICIRA, was a research organization with no extension experience. The unclear reorganization going on in the Ministry of Agriculture, and the results of the ICIRA pilot project, only intensified concern about finding the proper

institutional setting for the project. The CRATE Dutch Church Project demonstrated that cooperatives were a viable vehicle for such a project.

2/16-
3/1//77

Sixth DAI trip.

A DAI team visited Chile to provide additional technical assistance for the project design. During this visit, it became clear that the institutional framework for the project had not been resolved. The persons at the Ministry of Agriculture with whom the DAI team had negotiated in the past had been replaced, and intraministerial feuding made it impossible to resolve the issue. This was exacerbated by the resignation of all government ministers. The other main unresolved issue concerned the level of subsidy to the paratechnicians. The extension office, SAG, was programmed to lose about 90 percent of its professional staff, and it was lobbying to place these workers in the project on high salaries.

The USAID Rural Development Officer decided that the issues could not be resolved during the time that DAI would be in-country, and asked the DAI team to design a project using their own concepts and understandings, and pinpointing the issues to be resolved prior to the final PP. This included the use of cooperatives as the organizational base for the technical service units.

DAI concluded that these steps had to be taken before the PP could be designed:

- The Chilean team, consisting of members of SAG, ICIRA, and ODEPTA, should complete their project design, and the project should be reviewed and approved in Chile;
- A favorable decision on an agricultural credit program for the coming year, at an interest rate between 12 and 15 percent, was needed; and
- A detailed implementation plan had to be completed.

It was anticipated that these activities could be completed in time to write and finish a PP by early May. The Mission wanted a DAI team to assist in this effort.

3/2/77

Cable USAID/Santiago to AID/Washington.

In spite of the improvement made in the project design during the DAI team visit, the project was still not ready for PP presentation. The Ministry of Agriculture was being reorganized, and its policy concerning the project scope, funding levels and precise implementing mechanism was in flux. Furthermore, the Project Development Team had been expanded to include the extension service of SAG and the Office of Agricultural Planning, making the resolution of issues more complicated.

It now appeared that the project would "constitute the Ministry's major effort to improve the effectiveness of extension type technical assistance to small farmers." The DAI team had been instrumental in developing with the GOC the essential elements of this design.

5/10-
17/77

Seventh DAI trip.

DAI returned to Chile to assist in the final stages of the PP. By this time the major issues had been resolved and there were no further snags. The Rural Development Officer maintained contact, as he had throughout the project, and the Ministry of Agriculture and DAI worked with the cooperative groups, which had been slated for inclusion in the implementation of the project. This trip coincided with that of the LA/DR economist who completed the economic and financial analysis and justification. The final Project Paper idea was generated by the Chileans; the structure and methodology of the project came from DAI; and the organization, host country implementation arrangements, and private sector involvement resulted from USAID and Ministry of Agriculture discussions and agreement.

5/31/77

PP submitted.

6/77

PP approved.

6/15/77

DAI internal memo.

The PP had been approved, but not printed, because of the human rights issue.

10/7/77

Telephone interview DAI with LA/DR.

All Agency assistance to Chile remained suspended by direction of the Department of State, until the human rights issue could be resolved.

COLOMBIA SMALL FARMER DEVELOPMENT PROJECT

SUMMARY

Description

The project will develop replicable and eventually self-sustaining methods for increasing small farmer income and welfare, by devising ways to deliver critical services, including:

- (a) improved agricultural technology,
- (b) increased capabilities of small farmer organizations,
- (c) development of appropriate technologies.

Total AID Funding

PP \$3,400,000 loan

Duration

Three years

Design/Approval Process

	<u>Document Submitted</u>	<u>DAI Involvement</u>	<u>Time Elapsed</u>	<u>Document Approved</u>
IRR	1975	-	-	4/29/75
PP	12/5/75	✓	25 days	12/30/75
Loan Signed	-	-	6 months	6/14/76

Total Design/Approval Time

IRR through Loan 1 year, 2 months

Status October 1977

The implementing organization, ICA (Instituto Colombiano Agropecuario--the research and extension arm of the Colombian Ministry of Agriculture), initiated the project in January 1977.

COLOMBIA SMALL FARMER DEVELOPMENT PROJECT

CONTENT SUMMARY

	<u>First Paper</u> IRR	<u>Second Paper</u> PP
1. Goal/Purpose	The goal of the project is to increase small farmer incomes.	The project will increase the government's capability to augment small farmer income and welfare in a manner that can become self-sustaining.
2. Implementing Techniques	New technologies will be field-tested on small farms, and program will be developed to facilitate their rapid expansion to wider areas.	The project will involve describing and analyzing the small farmer; using adaptive research for the development of appropriate small farmer technology; devising methods of delivering critical services including agricultural technology and risk aversion schemes to small farmers; increasing local small farmer organizations' capabilities. Departmental and regional ICA personnel will do fieldwork in coordination with national office.
3. Funding Level/ AID Contribution	\$5,500,000	\$3,400,000 loan
4. Time for Planning/ Flexibility	<p>The entire project is a research activity, but by about the fifth month sufficient results will be available to design and implement action programs.</p> <p>Problems will be identified and programs modified through successive efforts to implement the project until the technology is convincingly field-tested and a workable implementation program is developed for extension to wider areas, or the technology is discarded as not useful.</p>	<p>Activities will be based upon a first phase of description and analysis, of farmers in the selected regions. The project will test various alternatives in three regions over a period of 36 months. At the end of this period the project will have identified an optimum system for the cost-effective application of development resources to Colombia's small farmers.</p> <p>The project is designed to allow flexibility through regularly scheduled evaluations intended to lead toward ever-improved methodologies.</p>

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	<u>First Paper</u> IRR	<u>Second Paper</u> PP
5. Small Farmer Involvement in Decisionmaking	Three or four promising technologies will be field-tested with farmers in pilot areas.	Local farmers, individually and in groups, will meet and exchange ideas in order to understand what will or will not work, what is or is not needed. The departure point of the project is that the involvement and resource commitment of small farmer beneficiary groups is essential. Every effort will be made to involve the small farmer in the decisionmaking process at the implementation stage. This will be accomplished through the use of diffusion agents, who are members of the target group, through the involvement of existing small farmer organizations and through an effort to know the small farmer better.
6. Small Farmer Resource Commitment	Nothing.	The involvement and resource commitment of the small farmer beneficiary groups is essential. Methods for involving local leaders and working with local organizations will be developed.
7. Increased Planning and Economic Capacity of Local Organizations	Nothing.	The project intends to try various methods of working through existing organizations or, as a last resort, encouraging new ones. The project will use incentives to encourage and assist the organizations in assuming a larger role in the development process, both in the provision of services and in extending the number of participants who can receive such services. One of the major project purposes is to work through and strengthen existing organizations.

	<u>First Paper</u> IRR	<u>Second Paper</u> PP
8. Information Systems	A particular technology will be implemented within a limited area with the results carefully studied by a research and evaluation team from the implementing agency.	The inventory of the social system and the analysis of the economic system will utilize the participant observer technique. Farm-level analysis will utilize detailed input-output records to document the production practices of a small number of target group farmers. The monitoring and evaluation system will employ three distinct information collection methodologies. First, meetings between project staff and farmer participants will be scheduled; second, a trouble-shooting team will conduct special studies and analysis; third, a formal systematic data collection system will experiment with collection instruments to gather the following types of information: farm journal data, technology-adoption behavior indicators, and area development indicators. All portions of the evaluation and monitoring subsystem will themselves be subject to test and evaluation. Determining why certain development approaches were successful is a fundamental objective of the project.
9. Specification of Need and Mechanism to Make Project Benefits Self-Sustaining	Nothing.	The project will identify an optimum system for the cost-effective application of development resources to small farmers. The small farmer organizations will be encouraged to sell their services to participants to allow a continuing flow of benefits to their clientele after the project funds have been exhausted.

	<u>First Paper</u> IRR	<u>Second Paper</u> PP
10. Organizational Plans for Implementation	Both ICA and INCORA have capable personnel who could work on such projects.	Agreements will be signed between ICA and selected organizations to assure that they are committed to similar development goals among small farmers, specifying the services that ICA can supply, outlining the contributions expected of the membership of the organizations to be assisted. The Borrower and Implementing Agency will be the Colombian Agriculture and Livestock Institute (ICA), a semi-autonomous agency of the Ministry of Agriculture. The direct responsibility for design and implementation of the information system to support the Small Farmer Technology Project will be lodged in a Project Monitoring and Evaluation Unit (PMEU), which will be an integral part of the project management team.

PROJECT DESIGN/APPROVAL CHRONOLOGY

1975 IRR submitted.

4/29/75 Cable AID/Washington to USAID/Bogota. DAEC review of Small Farmer Production IRR, IRR approved.

Approval was given to proceed with the project design, subject to the following considerations.

The project focus was so broad it was difficult to see how the various elements would interact. Precise statements concerning the target beneficiary and the implementing agencies, ICA and INCORA (Instituto Colombiano de la Reforma Agraria), had to be included. Because there appeared to be a shift in Mission emphasis from two years previous when a lack of agricultural inputs and credit was viewed as the chief obstacle to small farmer production, this was to be explained.

An evaluation was needed of the original seven ICA pilot projects, which were designed to accomplish essentially what was outlined in this proposal. The evaluation was to investigate agricultural inputs, improvements in new production technology, and changes in cropping patterns.

The institutional capacity of INCORA and ICA needed analysis in light of the difficulties they had had staffing their 21 pilot projects.

Selection criteria for proposed program activities needed to be developed, taking into consideration farmer receptivity and replicability.

Potential obstacles to project success were to be examined, as well as the relationship to other AID activities. The Mission needed to consider combining the Feeder Road Proposal with this proposal into a single Small Farmer Development Loan. Conceptually and administratively the projects overlapped and were complementary.

9/75 Cable AID/Washington to USAID/Bogota.

The Mission was informed that the Small Farmer Production Project PP had to be designed within 45 days in order to meet the end-of-year funding deadline. This surprised the Mission, which had been under the impression that the project had been "shelved" for a year.

11/8-
13/75

First DAI trip, Project design.

The Assistant Rural Development Officer at the Mission specified the composition of the design team. This team was asked to "package" a small farmer, area-specific development project for a given cost; they were given no documents to work from. The project concept and most of the background work had been done by the Mission, such as writing the economic analysis and the Agency design requirements, and negotiating with the implementing agency (ICA).

Procedurally, the team met daily, discussed the project, and produced an outline. In the evening the DAI team members synthesized the material and presented issues for discussion the next day.

One field trip was taken at the end of the design process to write the social soundness analysis. But because this was a research project and the selection of an area for implementation needed only to satisfy the selection requirements of the target population, this trip was not critical to the design.

The design was accomplished in several days with no major difficulties. Unlike most DAI design efforts, no interaction took place with the implementing agency. The representative from ICA who participated in the design effort was a staff member with few institutional ties or expertise in designing projects. He had recently finished an advanced degree in the U.S., spoke perfect English, and apparently had no other institutional responsibilities.

During the team's visit, USAID/Bogota renegotiated some financial aspects with ICA, transferring the technical assistance from grant to loan funding. After the team left, the Mission chose, with the Government of Colombia (GOC), the districts for implementation.

11/30-
12/4/75

Second DAI trip.

12/5/75

PP submitted.

12/8/75

Memo DAI to TA/DA.

A DAI team visited Colombia and reviewed the Small Farmer Development Project. While the Project Paper for the Small Farmer Technology Development Project had been modified, the basic process approach to finding successful technology remained. The influence of

the *Strategies* report remained particularly apparent in the sections on local organizations and information systems.

During the DAI trip the Mission hosted a seminar on the *Strategies* report and invited personnel from ICA and the National Planning Office. The philosophy presented on rural development was favorably received.

This project represented a good test of the *Strategies* report. Because the technical assistance in the project was to be loan funded, the author recommended that additional funds be committed to provide advisors to assist in project implementation, and that TA/DA commit funds (\$110,000) for technical assistance in the first stage of the project. This was not funded.

12/10/75 Memo LA/DR to AA/LA, Issues Paper for PP review by DAEC.

The following issues concerning the Small Farmer Technology Development PP were identified:

- Did the five subsystems address the project purpose and were there other constraints on small farmer production than technology?
- Was the Colombian counterpart contribution for the loan appropriate?
- The loan could not be authorized until the GOC guaranteed the loan to ICA.
- The timing of project activities had to be examined to see if the schedule was realistic.
- The methodology used to analyze small farmer production had to be reviewed for statistical validity. The ability and motivation of farmers to maintain records were questioned also.
- The role of "diffusion agents" and of local organizations needed clarification.
- The project cost of \$300/family would be reviewed in terms of the willingness or ability of ICA/GOC to afford similar activities.
- Did the project benefit the poorest farmers?

Activities in the proposed project were included in the FY 1976 Congressional presentation in the context of a \$9 million loan for Small Farmer Development and a complementary \$235,000 grant for Small Farmer Technology Development. The loan component originally anticipated one loan with two subprojects to be separately implemented. One of these, the pick and shovel road project, was authorized separately. The proposed grant project was then dropped because of an overall reduction of grants to Colombia. This PP, then, incorporated the activities that were originally to have been funded, as well as the balance of those activities originally proposed as a single loan. The Colombian counterpart contribution, 30 percent of local project costs or approximately 27 percent of total costs, was negotiated in return for the loan financing of activities that were originally proposed for a grant project.¹

12/11/75 DAEC review.

12/30/75 PP approved.

The project was authorized without problems.

3/26/76 Cable USAID/Bogota to AID/Washington.

A DAI team was scheduled to work on the Small Farmer Loan during the week of April 5 under the Local Action contract.

4/6-8/76 Third DAI trip.

A DAI team met with representatives of the Mission, ICA, and the National Planning Department.

The purpose of the meeting was to discuss the Small Farmer PP, particularly the evaluation subsection. The Colombians had received sector loans from AID in the past. They felt project funds channeled through ICA should be for the overall objectives of ICA and not some particular activity. They did not feel they needed technical assistance and were unwilling to pay for it through loan funds.

¹ It had been Mission policy to loan-finance technical assistance since Colombia was relatively developed and could afford to pay for it. "In the case of the Small Farmer Development Loan, the question of grant funding never became an issue. We would have used it as a method of getting the GOC to accept some aspect of the project, but we didn't need to." Letter USAID/El Salvador to DAI, 10/5/77.

On the other hand, DAI believed that, although ICA's approach was fundamentally sound, it might profit from technical assistance to help with information systems and the development of small farmer organizations. ICA said they were in the process of developing an evaluation plan. DAI suggested to the Mission that the ICA data collection instrument be used as a basis for the evaluation, because the Colombians had stated that they neither needed nor wanted foreign technical assistance, since they had qualified people, which created a delicate situation.

4/12/76 DAI to Chief, Agriculture and Rural Development Office.

In his report on the meeting with ICA staff, the author remarked that, while ICA was involved in the project design, few internal discussions had taken place and only a few staff members were familiar with the design yet. The ICA staff of the Socioeconomic Studies (evaluation) Division of the Rural Development Department appeared not to be committed to the project concepts. They only understood traditional technical assistance and were confused about this action research project. Because they did not want to assign individuals to the project, and because the evaluation plan designed by ICA did not address the appropriate issues, according to DAI, the firm proposed to provide short-term evaluation assistance during the project.

4/16/76 Memo LA/DR to AA/LA.

The terminal date for signing the loan was extended for 30 days from April 28 to May 28, 1976. The Mission recommended extending the date in response to a request from ICA and the Division of Public Credit of the Ministry of Finance, because of a complicated process of obtaining Presidential approval in order for the guarantee to be effective.

5/4/76 Deputy Chief, Rural Development Office to DAI.

The author agreed that there was a need to further clarify the purpose and structure of the project with ICA staff, and stated that USAID/Bogota had held meetings to this end.

5/27/76 Memo LA/DR to AA/LA.

Again the terminal date for signing the loan was extended for 30 days, from May 28 to June 28, 1976, for the same reasons.

6/14/76 Loan signed.

7/26/76 Letter Acting Chief, Agriculture and Rural Development Office to DAI.

The general manager of ICA, Rafael Mariño, had resigned; his replacement, Josué Franco, had questioned ICA's need for this loan. Most technical assistance was grant funded, not loan funded, and the Colombians were not convinced that they needed technical assistance under these financial conditions.

8/12/76 Cable USAID/Bogota to AID/Washington.

The final draft implementation plan would be submitted by ICA on August 13. The comments DAI had been asked to make on ICA's proposed evaluation procedures would be useful to the Mission in evaluating the implementation plan. Although the "Mission feels further interaction between DAI and ICA at this time would not be productive," they requested the DAI evaluation as soon as possible.

9/10/76 Memo DAI to Chief, Agriculture and Rural Development Office, USAID/Bogata.

In analyzing the evaluation model produced by ICA, DAI concluded that it was too general and that ICA staff responsibilities were inadequately defined. Moreover, it seemed to be oriented to provide government with feedback on project implementation. Not enough emphasis was placed on collecting information at the local level. "In general, the paper lacks a dynamic focus;... The authors intend to collect on a number of economic measures without adequate indication of how these are to be used; environmental, technological and sociological variables are not well specified."

-12/13/76 ~~Memo~~ DAI to TA/RD.

DAI discussed the differences in grant and loan funding of technical assistance and concluded that an innovative project should provide technical assistance through grant funds in order to ensure professional competence. The memo went unanswered by TA/RD.

12/31/76 ICA Planning Document submitted.

According to the Conditions Precedent for the disbursement of loan funds in the Loan Agreement, ICA was required to present a plan of work for each region and for the evaluation group, including a proposed method-

ology for the analysis portion of the project. This document was in addition to the evaluation model ICA produced earlier.

2/14/77 Memo DAI to Chief, Agriculture and Rural Development Office, USAID/Bogata.

The author proposed that a DAI team visit Colombia to discuss implementation of the Small Farmer Technology Project to date and to hold a seminar on evaluation and monitoring needs with AID and ICA.

6/14/76 Loan signed.

7/31/77 ICA Desk Analysis completed.

One of the first tasks of the implementation team was to do a desk analysis of the project, which led to the rejection of one region because farmer income was too high, and selection of another for implementation.

10/1/77 Summary of Project Implementation.

The Project Paper recommended an independent project unit, and an independent monitoring and evaluation unit would be established within ICA to manage the project. This organizational structure was not acceptable to ICA because the Director felt that the project would have less impact on the Agency when isolated in this way. The project was finally implemented by integrating it into ICA as a whole.

ICA tried to arrange a sole source contract with Oklahoma State to provide technical assistance, but was informed by the Mission that all technical assistance had to be acquired through competitive bidding. This was contested by ICA and remains unresolved.

Of the \$3.4 million loan, only about \$808,768 had been expended to date. ICA considered the project effective from January 1 to coincide with the date their implementation plan was approved by USAID.

ETHIOPIA REHABILITATION PROJECT

SUMMARY

Description

This is an experimental area development project aimed at improving the production and socioeconomic well-being of people living in drought-stricken areas. It will help develop capabilities of peasant associations and local government institutions to identify, plan and implement appropriate and cost-effective approaches to their environmental problems.

Total AID Funding

Mini-PP \$197,000 grant

PRP \$3,169,886 grant

Duration

Eight months

Design/Approval Process

	<u>Document Submitted</u>	<u>DAI Involvement</u>	<u>Time Elapsed</u>	<u>Document Approved</u>
PID	6/6/76	-	-	6/76
PRP	12/6/76	✓	4 months	4/77
Mini-PP	4/13/77	-	3 months	7/11/77

Total Design/Approval Time

PID to Mini-PP

1 year

Status October 1977

The pre-implementation phase of the project has begun with the assignment of a rural development specialist to provide planning assistance to the provincial administration.

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ETHIOPIA REHABILITATION PROJECT

CONTENT SUMMARY

	<u>First Paper</u> PID	<u>Second Paper</u> PRP	<u>Third Paper</u> PP (Pre-Implementation)
1. Goal/Purpose	The project aims at assisting the government to rehabilitate and develop Gamu Gofa.	The project aims at improving the production and socioeconomic well-being of people living in the drought-prone marginal areas in a way that increases self-reliance. The purpose is to build the capability of the local government and peasant associations to plan and execute rural development activities.	Same as PRP.
2. Implementing Techniques	The purpose will be attained through road construction, resettlement, improved farming methods, tsetse fly control, pasture improvement, support of local government, peasant associations, and community development activities.	The purpose will be accomplished by helping the Provincial Development Office to prepare a development plan for the area; training members of peasant associations and local government in planning, management and evaluation; and developing guidelines to procure assistance to begin local development activities.	Same as PRP.
3. Funding Level AID Contribution	\$2,500,000 grant	\$3,162,886 grant	\$196,000 grant

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	<u>First Paper</u> PID	<u>Second Paper</u> PRP	<u>Third Paper</u> PP (Pre-Implementation)
4. Time for Planning/ Flexibility	Planning should require six months for "mobilization," including time for longer-term planning.	The project is largely a three-year experimental effort aimed at a gradual evolution; communication and experimentation with peasant associations will serve as a basis for project activities. The development fund will be established.	Some development activities must be initiated as a catalyst. No long-term, large-scale projects should be initiated until further analysis is undertaken. The main criteria for selecting activities to support will be total resource commitment. The development fund will be established.
5. Small Farmer Involvement in Decisionmaking	Nothing.	The project is based on local population involvement in project decisionmaking. It will open roads and provide temporary lodging for "project related visitors," to facilitate interaction with peasant associations.	Same as PRP.
6. Small Farmer Resource Commitment	The assumption is made that small farmers will be receptive to self-help recovery activities.	The project will increase the small farmer resource commitment to development activities as rapidly as possible.	Same as PRP.
7. Increased Planning and Economic Capacity of Local Organizations	The project will provide employment to the local population; it will provide opportunities to acquire new skills and better farming methods and techniques for improving human and animal health standards.	The project is to build capabilities of people, peasant associations, and local administrative systems for planning and carrying out rural development activities. It will use technical and organizational capabilities of local (Continued)	Same as PRP.

	<u>First Paper</u> PID	<u>Second Paper</u> PRP	<u>Third Paper</u> PP (Pre-Implementation)
7. (Continued)		(Continued) institutions to plan, implement, and evaluate appropriate activities. The project will provide necessary training.	
8. Information Systems	A system will be implemented in the first six months for financial controls, stores, purchasing and inventory, data recording, evaluation, and progress reports.	An information system will be developed that takes account of the decisionmaking requirements at each level from the farmer to the national and technical ministries.	One evaluation will be conducted towards the end of the pre-implementation period; it will involve all major "actors" to assist in the design of the follow-on project.
9. Specification of Need and Mechanism to Make Project Benefits Self-Sustaining	It is assumed that suitable projects can be designed to help the population and local government to achieve greater self-reliance.	The project is directed at finding ways to promote developmental changes that are sustainable with a minimum of government support.	Projects to be supported by the fund are to be economically justified as part of the application and approval process.
10. Organizational Plans for Implementation	Project management will be at project sites with technical support provided through The Relief and Rehabilitation Commission (RRC).	The project will be signed with the RRC. The Provincial Revolutionary Administration and Development Committee (PRADC) will be the implementing agency. The Provincial Administrator will establish a provincial development office responsible for planning, management and evaluation of project activities.	Same as PRP.

PROJECT DESIGN/APPROVAL CHRONOLOGY

6/6/76 PID submitted.

The PID was signed by the Mission Director USAID/Addis. It was prepared by the Mission Drought Relief Division Staff with the assistance of locally hired consultants.

6/76 PID approved.

10/11-
11/21/76 First DAI trip, PRP designed.

The PRP was based largely on a trip to Gamu Gofa that lasted from 10/18/76 through 11/9/76. Trip members included a Rural Development Officer from USAID/Addis, an officer from TA/RD, two DAI staff, an officer from REDSO/EA, an advisor from the Ministry of Interior, and representatives of the Ethiopian Government, including provincial, awraja and woreda officials.

11/26/76 Cable USAID/Addis to AID/Washington.

A draft of the PRP was to be submitted to AID/Washington by 12/3/76. It was requested that AID/Washington complete the initial review and schedule the approval process prior to Christmas so that USAID/Addis could carry out the PP and critical pre-implementation programming in the first two months of 1977. The Mission requested that DAI attend the project reviews.

12/6/76 PRP submitted.

1/19/77 Note from Development Officer, AID/Washington.

The PRP was to be reviewed at the end of January; DAI and TA/RD would be asked to attend the review. The delay was due to problems of reproduction in Washington. Because of the length of the PRP, they had decided to include for review only the important parts of the PRP; the rest were placed in an annex.

1/31/77 First PRP Committee Review.

Due to the size and length of the PRP, a second review meeting was scheduled for the second week of February. The committee agreed with the project goals, but many issues required resolution, including:

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- Length and Presentation: Several complaints had been made about the "extreme length" of the document; some complaints had been made that the style of writing, while evocative, was not specific enough.
- Design Detail: There had been complaints of insufficient detail on what the project would do, "to whom, how, and where." This generality had been explained as intentional, in order to give host country nationals the freedom to make specific decisions. Reviewers "still felt that this intention at the least, should be more clearly stated as a baseline for subsequent lack of more detailed, operationally directed statements in the document."
- Integration of Project Components: Would it be possible, given the duration and funding levels suggested by the PRP, "for all of the components to be operationalized in any useful or meaningful way"? It was suggested that perhaps it would be best to limit the geographic scope of the project.
- Replicability: It was indicated that Ethiopian officials were excited about the possible replicability of this project. Because of the unusual circumstances in Gamu Gofa, it was suggested that perhaps there would be a better location for the project elsewhere.
- Fallback Positions: Although the project was experimental, it was suggested that a number of failsafe mechanisms be built in under the assumption that some of the necessary ingredients for project success would not materialize.
- In a general discussion of the overall feasibility of the project, it was concluded that it was probably feasible politically and substantively, but the reasons for this had to be more clearly enunciated in the PP. It was argued that the project had to be designed to last for six years. A consensus was apparently reached that a smaller scale effort should be undertaken to serve as a basis for developing the details needed for a major effort in the project area later on. Specifically, a mini-PP appears to have been recommended.

2/10/77 Cable USAID/Addis to AID/Washington.

While an IEE had been included as part of the PRP design, the Mission now requested that "an EA (environmental assessment) be done as part of the project because of its experimental nature and because some of the environmental effects will not be discernible until the project has been in effect for a year or more."

2/17/77 Second PRP Committee Review.

A second committee review was held and attended by several members of the design team from DAI and TA/RD.

The project was approved with the following recommendations:

- that it be funded on an incremental annual basis;
- that the PP specify in more detail the use and operation of the Development Fund, determining how it would satisfy the criteria of Section 611(a)(1) of the FAA;
- that the logical framework be revised during the PP preparation;
- that the Mission Director be responsible for the environmental determination of all activities carried out during pre-implementation;
- that a preliminary environmental assessment be conducted during pre-implementation in conjunction with the land-use/water resource survey;
- that a comprehensive environmental assessment be carried out one year after project initiation; and
- that a mini-PP be prepared to facilitate the provision of the necessary pre-implementation funds and that consideration be given to extending the life of the project during the PP stage.

4/77 PRP approved.

3/21-
4/12/77 Mini-PP written.

During this period the mini-PP was written by a Mission Rural Development Officer and an officer from REDSO/EA.

4/12/77 Cable USAID/Addis to AID/Washington.

The mini-PP was to be submitted by 4/13/77, but AID/Washington could begin the review by using the advance copy they had received earlier.

4/13/77 PP submitted.

On the cover sheet of the mini-PP it said: "The activities proposed in this mini project, if they can be undertaken within the very tight timetable proposed, should materially influence the development and implementation success of the longer project detailed in our PRP submitted last December. However it must be emphasized that time is of the essence. Much creditability has already been lost with the provincial authorities in Gemu Gofa as a result of the time which has already elapsed since the submission of our PRP last December.....[S]uccess of this activity plus the development of the longer range project is dependent upon the early arrival of the AID-funded Rural Development Specialist. We presume that some preliminary work has already been done by AID/W to identify the contractor to perform this function and that the short duration of the assignment under the project (approximately four months) will make it possible to provide the person selected quickly and in any case no later than May 30."

4/13/77 Cable USAID/Addis to AID/Washington (priority).

The Mission again stressed the critical timing involved to assure effective implementation, and urged the most rapid AID/Washington action possible.

4/26/77 Letter Deputy Director TA/RD to Mission Director USAID/Addis.

Although the mini-PP had not yet been duplicated, plans were going forward to hold the ECPR meeting on or about May 4. They suggested that a DAI consultant go to Ethiopia, starting May 16. Funds were authorized for the mini-PP (pre-implementation) phase so that it could begin mid-May and continue two months longer than proposed in the mini-PP. "In this way, preparation of the PP could slide back to July without your having a hiatus in activity." (In late April American officials, except for a few AID and Embassy officials, were required to leave Ethiopia.)

5/3/77 Cable USAID/Addis to AID/Washington.

A rapid review/approval of the mini-PP was critical; the Rural Development Specialist was needed no later than May 30. The Mission was planning a field trip to the project area May 17 to 21.

5/13/77 Cable USAID/Addis to AID/Washington.

The field trip to the project area depended upon receiving approval.

General Delays resulting from the human rights issue.

The Mission was frustrated by the continued delays, which were caused primarily by the U.S. position on the human rights issue. During the review of several Ethiopian projects, PPC representatives raised the question of reported human rights violations and asked if these reported violations did not constitute a reason to halt development assistance. General Counsel's office and the Bureau for Africa asked the State Department to make a determination.

The position that Ethiopia had violated human rights was manifested in other areas of development assistance. The U.S. representative in The World Bank voted against approving one loan to Ethiopia and abstained on another. It was generally believed that, if the U.S. did not support the next proposed World Bank loan, the remainder of American personnel in Ethiopia would be asked to leave the country.

The issue was resolved when the State Department determined that development assistance should continue. This decision was based on positive steps taken by the Ethiopian government in addressing issues of equity.

6/16/77 Cable Administrator AID/Washington to all Missions.

All Missions were informed that the project review and approval process had been streamlined. The authority to ensure that all statutory requirements of projects not exceeding \$500,000 were met had been delegated to Mission Directors in the field.

6/23/77 Cable USAID/Addis to AID/Washington.

The field trip to Gamu Gofa, which had been delayed one month awaiting urgently needed AID/Washington action on the mini-PP, was taken for fear that further delays would make it impossible due to the onset of the rainy season. The Provincial Admini-

strator in Gamu Gofa "expressed disbelief and utter dismay at total lack [of] AID/W response" to the project. The Mission Director had promised to call the Provincial Administrator by June 24 with results of AID/Washington's review. Furthermore, after carefully reviewing the new directives, the Mission Director intended to approve the mini-PP unless AID/Washington responded by close of business on June 24. (This was highly unlikely since the cable was written on Saturday, and the response demanded by Sunday.) The Mission would proceed to draft the grant agreement and make other final arrangements with the host country; AID/Washington could take care of the Congressional Notification.

6/27/77 Cable USAID/Addis to AID/Washington.

The Mission agreed with the AA/AFR view that additional provision should be made in the pre-implementation project to permit the most flexible use of the Rural Development Specialist. To do this, they requested that \$50,000 be added to the grant request to make a total of \$196,000.

6/28/77 Cable USAID/Addis to AID/Washington.

The Mission had received a formal, written request from the Government of Ethiopia for assistance in the project area.

General Background on new directives.

From a review of the unclassified cable traffic during this period, it appears that there were other forms of communication between AID/Washington and the Mission. Probably AID/Washington was providing the Mission with reasons for the delay in project approval and with details of what the Mission Director would have to do with the new authority delegated to him in order to comply with the statutes of the Foreign Assistance Act. Later cable traffic suggested that AID/Washington did not challenge the Mission Director's authority to approve the project, but did attempt to provide him with guidance on what Mission Directors should do to comply with statutory regulations. Such specific instructions were not included in the new directives sent to the Mission Directors.

7/11/77 Mini-PP approved.

The Mission Director approved the Gamu Gofa pre-implementation project.

The document indicated that the Mission staff and REDSO/EA had concluded their final review of the mini-PP; the recent field assessment had found the project technically and politically feasible.

7/12/77 Cables USAID/Addis to AID/Washington.

The funding level was increased from \$146,000 to \$196,000. The Mission requested these funds be obligated prior to August 1.

7/20/77 Cable AID/Washington to USAID/Addis.

Two people were being considered for the rural development slot. The Congressional Notification was being prepared and the results would be cabled out as soon as they were available.

7/21/77 Cable USAID/Addis to AID/Washington.

Concerning candidates for the Rural Development Specialist slot, the Mission asked for biographical data because the candidates were not known to them.

8/18/77 Cable USAID/Addis to AID/Washington.

The Congressional Notification waiting period expired August 18; the Mission expected to sign an agreement in August. They had the allotment requested and the Ethiopian government had reviewed and approved changes. The following text had been included to satisfy the environmental question:

In accordance with United States environmental laws and AID regulations, each activity included shall be subject to specific environmental consideration by the legal officer of the Mission. The completed review shall form a part of a documentation basis for each activity and will be certified by the Ethiopian government, and the legal officer prior to the disbursement of any funds for the particular activity in question.

8/22/77 Cable AID/Washington to USAID/Addis.

A rural development specialist contracted to DAI was recommended for the Rural Development Specialist position. DAI senior staff were scheduled to visit Ethiopia August 29-30 to develop a plan and schedule inputs for the mini-PP.

- 8/23/77 Cable USAID/Addis to AID/Washington.
The Mission approved visits by DAI staff.
- 8/29-
30/77 Second DAI trip.
DAI helped develop a plan and schedule for the mini-PP implementation.
- 9/77 Pre-implementation activities started.
A Rural Development Specialist began to identify project activities under the pre-implementation phase of the project.

GHANA DISTRICT DEVELOPMENT PROJECT

SUMMARY

Description

The project proposes to develop the ability of the Atebubu District Council, and its supporting system of local, regional and national institutions, to involve the population in planning, management, implementation and evaluation of a self-sustaining integrated rural development program.

Total AID Funding

PP Total	\$7,180,000	Pre-Implementation Phase
Loan	\$5,000,000	Grant \$500,000
Grant	\$2,180,000	

Duration

Four years (pre-implementation, one year;
project activities, three years)

Design/Approval Process

	<u>Document Submitted</u>	<u>DAI Involvement</u>	<u>Time Elapsed</u>	<u>Document Approved</u>
PID	7/3/75	-	2 months	9/27/75
PRP 1	5/28/76	✓	-	-
PRP 2	9/3/76	✓	1 month	Rejected 10/15/76
PP	4/21/77	-	2 months	6/27/77
Grant Signed ¹	-	-	-	7/77

Total Design/Approval Time

PID to Grant
Signature 2 years

Status October 1977

The Mission submitted a scope of work for competitive bidding on the pre-implementation phase of the project last July. This was advertised in the *Commerce Business Daily* on October 25, 1977.

¹ Funding for the entire project has been authorized, but the grant agreement only obligates funds for the pre-implementation phase of the project. The rest of the project will be incrementally funded.

GHANA DISTRICT DEVELOPMENT PROJECT

CONTENT SUMMARY

	<u>First Paper</u> PID	<u>Second Paper</u> PRP/PP ¹
1. Goal/Purpose	The project will involve the poor in planning and implementation.	The project goal is to improve the economic and social well-being of rural Ghanaians in a way that is self-sustaining. The project purpose is to develop the ability of the Atebubu District Council and its supporting system of local, regional and national institutions to involve the district's population in the planning, management, implementation and evaluation of an integrated rural development program.
2. Implementing Techniques	The project will accomplish its purpose by strengthening the capability of district development programs to design, execute and coordinate district development programs.	To accomplish the project purpose, methods will be identified for improving the planning capacity of the District Council, for creating local self-help capabilities and a low-cost easily managed information system, for generating income-producing activities, improving agricultural production and overcoming obstacles to development.
3. Funding Level AID Contribution	\$32,300,000	\$7,180,000 (\$5,000,000 loan; \$2,180,000 grant) Pre-implementation \$500,000 grant

¹ The PRP and PP are almost identical documents. The pre-implementation phase covers the first year of the project and is based on the PP.

	<u>First Paper</u> PID	<u>Second Paper</u> PRP/PP
4. Time for Planning/ Flexibility	Nothing.	The starting point of this project is recognition by GOG officials and USAID that solutions are not at all clear. This argues for a flexible approach to project development. Therefore, the project will begin by gaining an understanding of the production and social systems in different parts of Atebubu District. A special development fund will be established.
5. Small Farmer Involvement in Decisionmaking	It is hoped that planning committees of district councils will expand their membership to include representatives of town and village development committees as a means to involve the small farmer.	Project activities will evolve with the local population's involvement in decision-making and experimentation with ideas. The project will require a continuing dialogue with small farmers to determine the appropriateness of the new practices and organizational arrangements being introduced.
6. Small Farmer Resource Commit- ment:	Nothing.	There are immediate needs beyond the capabilities of the local population. The broad criteria for selecting projects for USAID assistance include the degree to which people are willing, through self-help groups or other associations, to contribute to capital and recurrent costs of projects.
7. Increased Planning and Economic Capacity of Local Organizations	The project will strengthen the capability of District Councils to coordinate the development efforts of various organizations.	This project will develop the planning capacities of institutions within the decentralized local government system.

	<u>First Paper</u> PID	<u>Second Paper</u> PRP/PP
8. Information Systems	The project will strengthen the planning, execution, and monitoring capabilities of selected District Councils. Through evaluations, the Mission intends to replicate such activities in other District Councils in Ghana.	The project will create a low-cost, easily managed information system to monitor inputs, evaluate the impact of activities on families and on overall district development, and diagnose why various activities are successful. The project will develop both formal and informal data collection and analysis methods to carry out these functions.
9. Specification of Need and Mechanism to Make Project Benefits Self-Sustaining	The project will provide for projects demonstrated to be economically viable. The project goal is to improve the economic and social well-being of rural Ghanaians in a way that becomes self-sustaining.	The project goal is to improve the economic and social well-being of rural Ghanaians in a way that becomes self-sustaining. This project will seek to identify and develop different income-producing activities.
10. Organizational Plans for Implementation	This program will be initiated through the District Councils. They will be the main budgetary unit. The District Council Planning Committees, chaired by the Chief Executive and made up of the heads of district departments of various central government agencies, will be responsible for drawing up development plans for the district and designing and monitoring existing development programs.	The Project Agreement will be negotiated with, and signed by, the Ministry of Economic Planning. The implementing agency for the project will be the Atebubu District Council, assisted by the Brong-Ahafo regional government.

PROJECT DESIGN/APPROVAL CHRONOLOGY

7/3/75 PID submitted.

9/11/75 Memo DAI to Mission Director, USAID/Accra.

DAI requested that their staff be permitted to go to Ghana to work on a proposed district development project. Specifically, they proposed that DAI be involved with Ghanaian officials in developing a feasibility study that would result in the selection of one or more districts to launch the project. The firm offered to conduct a series of workshops that would include Ghanaian officials.

9/27/75 Cable AID/Washington to USAID/Accra, PID approved.

The PID for the District Planning and Rural Development Project was approved, but the following issues had to be discussed in formulating the PRP.

The Mission had recently shifted from an emphasis on large-scale capital construction projects to a focus on the small farmer. To justify the resource transfer to the rural sector, more information on the government's plans for this sector was needed. In the absence of such information the project might be more narrowly defined to a few districts. Small public works activities could be included, and more substantial community development programs delayed during the government reorganization and the completion of district development plans.

It was suggested that the project be divided into phases. Phase I would include: (1) grant assistance for integrated agricultural development programs, (2) planning support, and (3) development of a rural consultancy center.

The rationale for working at the district rather than the regional level and the criteria for selecting districts needed to be explained.

The relationship between ongoing district programs implemented by various ministries and the activities proposed under this project needed to be explained, and the government bodies responsible for each activity identified.

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They anticipated that the design process would "involve considerable time and effort with [a] result that project funding [would occur] in early 1977." But for the project to be included in the FY 1977 budget, the PRP had to arrive by November 15, 1975. A justification for a grant to fund housing, a cost usually borne by the host government, was needed.

11/22-
11/28/75

First DAI trip.

DAI visited Ghana to assess the new government's rural development plans.

12/9/75

Memo DAI to USAID/Accra.

Because district selection had not been completed as anticipated, DAI did an assessment of the new government's rural development plans. It was concluded that there were several indications that the chances of designing a meaningful regional development program were improving: (1) the Commissioner for Economic Planning supported decentralization; (2) the new National Development Plan was focusing on the problem of equity as the basis for their development efforts. Moreover, in the past, efforts to get economic development going had not been very successful, so frustrated ministers turned to the provision of social amenities for which there was no return. They were anxious to participate in economic development. In sum, the environment was "right" for district planning and rural development.

The following plan of action was recommended:

- gaining the cooperation of functional ministries;
- promoting coordination of the regional and district level;
- assisting regional government and district councils;
- creating mechanisms for local involvement;
- assisting small farmers and traders; and
- creating a rural development consultancy center.

First, the districts had to be selected and preliminary data gathered. Ideally, the Mission would select two districts within the same region. Second, the firm had to discuss rural development at the Cape Coast seminar in July 1976.

12/10/75 Memo DAI to TA/DA.

Contrary to a cable that had been sent earlier by the Mission, districts had not been selected for study by the time DAI arrived there. The Mission Director still was cautious about the district development plan, but he agreed to approach the Government of Ghana (GOG). It appeared that AID/Washington had solicited proposals from Iowa State and Cornell University for this district development work. Because of conceptual differences, DAI would have great difficulty working with Iowa State. The firm suggested that they conduct a seminar in Ghana (to be funded by AID/Washington) and then design the project, which would require an additional three or four weeks.

1/4-13/76 Second DAI trip.

A DAI team participated, at the request of the Mission, in the International Seminar on Socioeconomic Problems of Rural Development, sponsored by the Centre for Development Studies, University of Cape Coast. While they were there, the Mission asked them to assist in planning for the design of the District Planning and Rural Development Project. The DAI team held discussions on the project requirements and drew up a schedule of requirements that the Mission would present at the Abidjan planning session on project design.

1/26/76 Memo DAI to TA/DA.

They reported on the Cape Coast seminar. The Mission had received a letter from a specific regional commissioner requesting assistance, and a DAI staff person was asked to assist with the preparation of the PRP. This was scheduled for completion in the period from May 1 to July 1. From July 1, 1976, to June 1, 1977, the Mission wanted to place a person in the field to collect more detailed data and to initiate the project. Using data collection from the field, the firm proposed to develop a PP between October and December 1976. The proposed date of project initiation was June 1, 1977.

2/26/76 Cable USAID/Accra to AID/Washington.

There were no other donor-supported activities going on or planned in Atebubu district. By working in this district a variety of activities benefiting the rural poor could be initiated, such as intensive agricultural services, inland fishing, low-cost water supply systems, and health delivery services.

The Mission requested that AID/Washington contact DAI to assist in a survey of Atebubu District before the rainy season began. They also wanted to know if DAI had a person suitable for the position of Atebubu District advisor, who could assist in writing the PRP and return to fill that position later.

3/11/76 Cable TA/DA to USAID/Accra.

The firm was sending a team to write the PRP on April 24, 1976.

3/15/76 Cable USAID/Cairo to AID/Washington.

DAI recommended that the preliminary survey of Atebubu District concentrate on these areas:

- The current farming systems of district small farmers;
- The sociocultural system;
- The district council;
- Local organizations; and
- Human resources.

3/17/76 Cable USAID/Accra to AID/Washington.

A Mission team had visited a specific district in Ghana and discussed the project with the District Council. The district qualified for the project objective of testing the hypotheses that District Councils and their local development committees could be appropriate mechanisms for encouraging maximum local participation in the design and execution of rural development projects affecting community incomes and welfare. Based on the information collected during this survey, further district surveys were not necessary before developing the PRP. A draft PRP would be completed before the DAI team arrived on April 24.

3/30/76 Cable USAID/Accra to AID/Washington.

Prior to the authorization of project funds, the survey had to be undertaken and the district advisor placed. They would have liked this person in residence by July 1976 and again recommended contacting DAI about the position.

- 4/25-
5/14/76 Third DAI trip, PRP 1 designed.
- After reviewing the data collected by the Mission district survey, the PRP design team decided it could write an experimental project from the available information. During the design, there was little interaction with host government officials; the Mission had initiated these discussions and preferred to continue them.
- No substantive issues were raised by the Mission or host country during the design process. The only alterations made in the design after the DAI team left were: (1) the inclusion of a loan fund, and (2) the restructuring of the pre-implementation phase to solve a funding problem.
- 5/28/76 PRP 1 submitted.
- Summer
1976 Kissinger policy review of Ghana program.
- As a result of an international diplomatic issue, the Secretary of State requested a review of the Ghanaian Assistance Program.
- 8/10/76 Cable USAID/Accra to AID/Washington.
- The Mission requested funds to send the rural development officer to Washington to discuss inclusion of a capital assistance portion in the PRP. (Permission was granted by AID/Washington.)
- 9/3-5/76 Fourth DAI trip.
- One member of the firm assisted in revising the PRP.
- 9/3/76 PRP 2 submitted.
- The document was revised by the Mission to include the proposed loan funds as part of the overall grant.
- 10/15/76 PRP 2 committee review, PRP 2 rejected.
- The PRP was rejected. Representatives of PPC and the General Counsel felt the newly included \$5 million loan might violate section 611(a)(1). The rest of the committee was prepared to approve the loan as part of the PRP, even though it was admitted that the loan portion was not as thoroughly developed as was usual for a PRP. The long pre-implementation period, they argued, should provide adequate time to undertake the analysis necessary to meet all the requirements of the Foreign Assistance Act.

10/18/76 Meeting DAI with Ghana Desk Officer and USAID/Accra, Chief Agricultural and Food Officer.

The AID officials said that no one in the Agency opposed the project; delays were logistic in nature. For example, they were having problems figuring out how to house a person to go into the district, since there was no money in Phase I for a house. They wanted DAI to place the district advisor by Christmas and to find a production agronomist.

11/5/76 DAI internal memo.

DAI staff had met with the development officer and Ghana Desk Officer to discuss the status of the project. They reported on the results of the second project review meeting. Both PPC and the General Counsel raised questions. It was decided: (1) to send the PRP back to the Mission Director with the issue paper attached, and (2) to hold another review to decide on approval of the PRP with or without the loan. The development officer indicated that he was drafting the PIO/T for the required technical assistance under the pre-implementation phase immediately, but that no negotiations could be started until the PRP was signed. If the Office of Contract Management objected to letting the technical assistance, as either a sole source or an institutional contract, competitive bidding would be necessary.

11/22/76 Draft Issues Paper for the ECPR meeting.

The first PRP committee review did not identify any major issues, but formal approval was postponed during Kissinger's policy review of the Ghana program. At the July ABS review, it was decided that the FY 1978 portion of the rural development loan had to be incorporated into the PRP. This decision was made because it was not possible for the Mission to discuss the rural development resource loan with the Ghanaians until the results of the Kissinger review were known. The delay meant that the PRP could not be submitted for inclusion in the FY 1978 Congressional presentation.

The two main issues that had to be resolved were funding vehicles and environmental impact. The author (a development officer) recommended funding the pre-implementation activities by identifying and approving them as Phase I of the project. The PRP pre-implementation activities would cost approximately

\$350,000 (substantially more than normally is funded through program development to support design efforts), and the FY 1977 Congressional presentation allowed \$691,000 for the first year of funding.

If the loan were to be included in the project and approved, then it had to undergo an Initial Environmental Examination by the Mission prior to developing the PP. If only the grant were approved, then the project qualified for a negative determination.

12/1/76 ECPR review.

12/3/76 DAI internal memo.

The PRP had been approved under the condition that the loan portion be reinvestigated and the PRP resubmitted by March or April 1977. The pre-implementation phase had been defined as Phase I of the project and the budget had been raised from \$350,000 to \$500,000. The extra funds were intended to begin some mini-projects. The development officer intended to cable the Mission requesting a draft project agreement, which meant that this would become a project without a Project Paper. Once he had received the Project Agreement number and the Mission's suggestions for the PIO/T, he would write the PIO/T.

1/11/77 DAI internal memo (revised).

The legal and contractual officers at AID/Washington insisted that the project be submitted for competitive bidding. The Mission had submitted a PIO/T that was troubling to AFR/DR. It had two phases: one year for pre-implementation and three years for implementation. Because of this restructuring, AID/Washington submitted the project for Congressional approval. (Congress has 15 days to voice objections; if none are received, approval is automatic.) There would be no overall Project Agreement since the \$150,000 grant fund was included in the project with no criteria. Instead, they would try to make the contract the obligating document. It was estimated that the contractor would be chosen in early March.

3/11/77 DAI internal memo.

The legal office claimed that, since the project was no longer a design exercise but a project, the host country should fund 25 percent of the project cost. The development officer said he was considering three options to resolve this problem: (1) to inform the General Counsel that at least the technical assistance part of the pre-implementation period

was for design purposes; (2) to recommend that the district government contribute 25 percent of both the technical assistance costs and experiment funds; or (3) to get the district to contribute 50 percent of field-testing costs and none of the technical assistance, which would work out to about 25 percent overall. The preference was the first option. The problem with the second option was that, while it was relatively easy to define the positions within the district government from which matching labor would come, it would be extremely difficult to calculate the value in local currency of the labor high enough to get 25 percent of the expatriate technical assistance costs matched. In fact it would require about \$80,000 for the first year. Given the low salaries of Ghanaian officials and the fact that they would be working only part-time on the project, it would be almost impossible to value their contribution that high. The third option seemed feasible, on grounds that it would be relatively easy to define various local resource contributions to add up to 50 percent of the field-testing project costs.

The project RFP was to be issued in three weeks.

4/21/77 PP submitted.

This document was the September PRP 2 with a new face sheet reflecting a new funding level.

6/27/77 PP approved.

7/77 Grant Agreement signed.

7/18/77 DAI internal memo.

The development officer said the project had been approved and signed. AID/Washington was waiting for the Mission to approve the PIO/T before issuing an RFP to receive bids to implement the project.

10/13/77 Telephone interview DAI with AFR/DR.

Immediately upon receiving notification that the project had been approved in late June, the Mission prepared the scope of work for the bids on the proposal. AID/Washington had received this document in early July.

Conditions Precedent included in the project grant for technical assistance were:

- That the GOG demonstrate its willingness and ability to assist in providing suitable housing; and
- That the GOG provide office space and secretarial and administrative support to the technical advisor.

10/25/77 The RFP was published in *The Commerce Business Daily*.

HAITI INTEGRATED AGRICULTURAL PROJECT
SUMMARY

Description

The project will develop the institutional capacity of the Ministry of Agriculture, Natural Resources and Rural Development (DARNDR), as well as of community organizations, to deliver the following production resources and services to small farmers: agricultural extension/information, irrigation, soil conservation, research and development, agricultural credit and training.

Total AID Funding

PPs (first and second)
Grant \$4,100,000
Loan \$8,000,000

Duration

Five years

Design/Approval Process

	<u>Document Submitted</u>	<u>DAI Involvement</u>	<u>Time Elapsed</u>	<u>Document Approved</u>
PID	8/75	-	-	-
DAI Paper	12/75	✓	-	-
PP 1	7/29/76	✓	-	-
PP 2	9/22/76	-	5 days	9/27/76
Loan Signed	-	-	7 months	4/27/77

Total Design/Approval Time

PID to Loan Signature 1 year, 8 months

Status October 1977

After the loan agreement was signed, the Mission requested that the loan portion be switched to a grant, which was authorized. At the end of August no funds had been disbursed. The loan portion of the project was switched to a grant as have been all funds in Haiti. Compliance with the Conditions Precedent of the grant agreement has been extended to December 1977, and no funds can be disbursed until they have been met.

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CONTENT SUMMARY

	<u>First Paper</u> PID	<u>Second Paper</u> DAI	<u>Third Paper</u> PP
1. Goal/Purpose	The project purpose is to increase agricultural production and income.	The project goal is to increase the well-being of the rural poor living in the area in and around Dubreuil. The project purpose is to develop a self-help capability and to provide a training base for Haitians to design and implement similar projects elsewhere in Haiti.	The project goal is to increase the production, productivity and incomes of the small farm sector in Haiti. The project purpose is to develop the institutional capacity of DARNDR and community organizations to deliver productive resources and services to small farmers.
2. Implementing Techniques	The project will increase the production of both food and industrial crops; reverse the growing misuse of land resources; assist the Haitian farmer to intensify the use of irrigable lands; participate in the further strengthening of the Haitian institutions responsible for community development, the construction and maintenance of irrigation systems, the application of soil conservation practices, agricultural research, farmer training, and the provision of agricultural credit.	The project will motivate small farmers to help themselves and build small farmer organizations to ensure that small farmers have a voice in decisionmaking, reap the benefits of their activities, gain an understanding of small farmer behavior, develop technology through applied research to solve small farmer problems, identify critical services needed by small farmers, and determine how these services can be provided at low cost.	To achieve the project purpose, Department of Agriculture staff will be trained and assigned to work on the project in the areas of irrigation, soil conservation, agricultural research, development and extension; farmer groups will be organized for soil conservation, water use, and credit; and the Faculty of Agriculture will be trained and curricula developed.

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	<u>First Paper</u> PID	<u>Second Paper</u> DAI	<u>Third Paper</u> PP
3. Funding Level AID Contribution	\$11,000	--	\$4,100,000 grant \$8,000,000 loan
4. Time for Planning/ Flexibility	As of this submission, a detailed feasibility survey for the rehabilitation of one of the two irrigation systems included in the project has been completed by a U.S. contractor.	The first phase of the project will emphasize the identification of those services that are critical to small farmers and that surpass their capabilities to help themselves. The evolutionary nature of the project implies flexibility.	If any of the selected 13 projects are subsequently found to be infeasible, other alternatives will be studied.
5. Small Farmer Involvement in Decisionmaking	It is <u>assumed</u> that the rural farmers affected by this proposal will organize themselves into associations for the purpose of operating and maintaining their irrigation infrastructure and will accede to the requirements placed on them for self-help, labor, rights-of-way, ingress and egress, etc.	See Item 1.	Nothing.
6. Small Farmer Resource Commitment	The government will provide other inputs equal to 25% of the project costs in cash or in kind, e.g., volunteer labor services of farmers. It is also assumed that rural farmers will accede to the requirements placed upon them for self-help labor.	The entire first phase of the project is based on self-help activities to improve upon farming techniques and to clear out irrigation channels. In the second phase, it is probable that self-help activities will come up against roadblocks they cannot overcome (continued)	It appears that self-help activities in this proposal are only mentioned as a vehicle to ensure that the projects will meet the required 25% match on the part of the host country. In the disbursements schedule, \$6.9 million are provided for local labor.

	<u>First Paper</u> PID	<u>Second Paper</u> DAI	<u>Third Paper</u> PP
6. (Continued)		come. Foreign assistance is then recommended. However, the proposal states that these needs should be the by-product of farmer self-help activities.	
7. Increased Planning and Economic Capacity of Local Organizations	It is assumed that the rural farmers will organize themselves into associations for the purpose of operating and maintaining the area irrigation infrastructure.	Motivation activities will only increase frustration if they are not accompanied by training to increase farmer income and output. It will take between one and two years after the motivation and organizational work starts before significant improvements in farm techniques in rehabilitated areas and channels will become evident. A primary output of the first phase of the project would be the development of small farmer organizations.	Local organizations will be instructed in how to operate, maintain and repair irrigation channels, including the keeping of financial and water records and the hiring/supervising of staff and contract assistance. By working on the rehabilitation, local people will also learn the skills they need to maintain their system.
8. Information Systems	Nothing.	A data collection and analysis unit would collect and analyze data on small farmers (their production practices, yields, income) and identify the major factors that enter into their decisionmaking. The unit would monitor and evaluate project activities. The system should be designed to assess the longer-term impact of the project on the (continued)	The system will both monitor and evaluate the project. The following data will be collected: daily activities of field extension staff, all financial transactions, including credit, all movement of personnel, equipment, supplies, including agricultural inputs, meetings and other activities of farmers and community (continued)

	<u>First Paper</u>	<u>Second Paper</u> DAI	<u>Third Paper</u> PP
8. (Continued)		(continued) target population. The system must be simple, low-cost and easily managed so that it can be replicated in other districts. The data collection instruments should be designed to provide tools for extension workers to dialogue with small farmers.	(Continued) groups, progress of engineering work, progress of research programs, progress of training programs, reports on crop conditions, rainfall, crop acreages, yield production, farmer incomes, loan payments, self-help activity indicators. Provisions for special studies will allow unanticipated evaluation problems or questions to be investigated on an ad hoc basis.
9. Specification of Need and Mechanism to Make Project Benefits Self-sustaining	Nothing.	An output of the first phase would be the development of farmer organizations. These organizations could generate significant savings within two years. In the longer run, it is expected that the areas could become relatively self-sufficient through the establishment of various types of cooperatives, consisting of groupings of small farmer organizations. Self-reliance in the project area is an explicit part of the project phasing chart.	Nothing.

	<u>First Paper</u> PID	<u>Second Paper</u> DAI	<u>Third Paper</u> PP
10. Organizational Plans for Implementation	The project would be implemented through the Ministry of Agriculture. The proposal foresees the formation of a special task force composed of young engineers from the Irrigation Service, soil conservationists from the Forest Service, agronomists and animal production disciplines from the Extension Service.	The development strategy proposed could work through any of three institutional arrangements: existing government institutions, a specially created quasi-government project unit, expanded activities of the church-run LaBorde project.	A management implementation team would work for the first four years with the Ministry of Agriculture counterparts responsible for project management and administration.

PROJECT DESIGN/APPROVAL CHRONOLOGY

- 1973 AID began a four-year project in Haiti to provide agriculture development support. This project, a total grant of \$1.7 million, provided about \$1 million worth of technical assistance, much of which was to be for feasibility studies for subsequent projects.
- 7/2/75 Memo USAID/Port-au-Prince to AID/Washington.
- The Mission was developing a grant/loan project "heavily weighted with community participation." A preliminary copy of the PID was enclosed. The Mission would entertain the possibility of receiving assistance under the TA/DA program to test the conclusions of the *Strategies* report.
- 8/75 PID submitted.
- 8/6/75 Memo DAI to TA/DA.
- While the Haitian project could qualify for assistance, there were several danger signals:
- Language in the PID suggested that the technicians had the answers; it was merely a matter of convincing the farmers of their validity;
 - There was no explicit mention of a small farmer focus; and
 - The list of technicians to develop the Project Paper did not include enough social scientists.
- The firm recommended sending several staff members to survey the situation and provide a report on how the project should be approached.
- 8/14/75 Letter TA/DA to Mission Director, USAID/Port-au-Prince.
- The Bureau offered technical assistance if, in return, the Mission and the Haitian Government would cooperatively develop "the project along the lines which the research results indicate would be optimal for achieving local action involvement and project success."
- 10/16-
28/75 First DAI trip.
- A DAI team accompanied by a TA/DA Officer traveled to Haiti to assist in the design of a proposed Integrated

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Agricultural Development Project in southwest Haiti. The Mission agricultural officer assigned a consultant to join the team. The team (plus two members from a high-level task force and a deputy from the Embassy who joined them briefly) went to Les Cayes, just south of a potential project area, to discuss the potential project with various central government officials, church groups and farmers. They concluded that the area could serve as the basis for a project focusing on animating and organizing small farmers to improve farming practices and irrigation channels through self-help techniques. It was explicitly recommended that no outside assistance be brought in until the possibility of organizing farmers to help themselves had been demonstrated and until self-help activities had come up against serious roadblocks. These activities should serve as a basis for determining what sorts of foreign assistance were needed.

Because there was evidence that food-for-work projects had been misused and that they had created disincentives for farmers to farm their own crops and to engage in self-help activities, the team recommended that these projects only be continued in the highlands. The team presented its conclusions to the Mission Director, but was unable to meet with representatives of the Ministry of Agriculture to discuss them.

12/75 DAI paper submitted.

The "Design for a Small Farmer Rural Development Project" was sent to the Mission for review.

1/15/76 Letter USAID/Port-au-Prince Assistant Agricultural Development Officer to DAI.

The DAI proposal had been reviewed; it presented "many useful ideas that should be incorporated in any project." The Mission indicated the next step was to see how many of the ideas could be incorporated in the Debreuil project.

3/9/76 Aerogram USAID/Port-au-Prince to AID/Washington.

The Mission and the Government of Haiti (GOH) reviewed the DAI report and concluded that:

- They agreed (with minor variations) on the basic philosophy proposed: "that is, that the understanding, acceptance and cooperation on the part

of small farmers are necessary to project success... [and] that the project design and implementation plan understand the behavioral attitudes of the small farmers."

- The two-year period envisioned for motivating and organizing small farmer groups might have to be shortened.
- The (work) should begin as soon as possible; "That is, some physical work should be undertaken during the first phase of the operations proposed by DAI. The people appear to need to see some concrete evidence of the intentions of the project implementers." [The DAI report specifically recommended that no construction activity be undertaken in the proposed area prior to beginning small farmer organization and self-help activities.]
- The need for a quasi-governmental project unit was dubious.
- The facilities in LaBorde could be successfully integrated into the project regardless of the implementing agency.
- Personnel selected for the data analysis unit would be critical; they should espouse unconditionally the philosophy projected by the DAI report.
- Prior to the arrival of the DAI team in Haiti, the PRP had been presented in Washington.
- Because of time problems, Phase I and Phase II of the project would be collapsed into one.
- A second DAI visit was requested between May 15 and June 15 to assist with the evaluation of data currently being collected in the project area by an AID consultant and to review a final project proposal that would become a portion of the design of the Project Paper, which also would be prepared in early July.

- During the DAI visit, consideration should also be given to proceeding with farmer training and with government official training. The Mission was considering using LaBorde for farmer training and the Faculty of Agriculture at the Ministry of Agriculture for technician training.

3/16/76 Cable USAID/Port-au-Prince to AID/Washington.

The Mission requested technical assistance to complete various parts of the integrated agricultural development Project Paper to be prepared July 5 to 19. Specifically, they requested a loan officer, an economist, an engineer with irrigation/water management experience, and a rural sociologist/community development officer. An evaluation officer was needed for three days starting July 12.

4/1/76 Cable USAID/Port-au-Prince to AID/Washington.

In light of DAI's forthcoming trip, there was no need for other technical assistance in the general area of problems of communication with small peasant farmers.

4/23/76 Cable USAID/Port-au-Prince to AID/Washington.

The Mission requested DAI technical assistance for a period of two to three weeks to review final proposed draft for working with small farmer groups in Haiti.

4/29/76 Cable AID/Washington to USAID/Port-au-Prince.

The DAI team would be available in early June for two to three weeks.

5/5/76 Cable USAID/Port-au-Prince to AID/Washington.

A "Recent refinement of integrated agricultural development project design has revealed requirements for... [consultant] services to head socio-economic investigation in Les Cayes and Jean-Rabel areas. Review and evaluation of DAI proposal not...necessary." The objective of this investigation was to establish methodology, personnel, communications media, etc., for stimulating and developing community organizations. It also involved a study of small farmers in two sample areas to assess social and economic milieu and determine receptivity to change as a basis for recommending alternative ways of reaching farmers to bring about systematic change.

5/14/76 Cable AID/Washington to USAID/Port-au-Prince.

An intensive analysis of the Ministry of Agriculture's institutional capacity was necessary prior to funding the integrated agriculture development loan. Enclosed was a detailed scope of work and potential contract.

5/19/76 Cable USAID/Port-au-Prince to AID/Washington.

The recent socioeconomic study of the Les Cayes and Jean-Rabel regions should produce information on farmer training necessary for the Project Paper. The DAI visits should be rescheduled for July to assist with writing up the statistical/data gathering/evaluation systems part of the PP. The submission would be delayed until August.

6/10/76 Cable USAID/Port-au-Prince to AID/Washington.

Enclosed was a status report on the integrated agricultural development project.

- The J.G. White contract team would complete the pre-feasibility studies on individual irrigation projects by mid-July.
- A consultant would complete his report on motivation techniques, community organization and training methods in late June.
- The Multi-National Agribusiness Systems, Inc., would complete an assessment of institution building needs of the Ministry of Agriculture on July 9.
- The services of DAI were requested for writing the project evaluation plan (two people for one week), to be completed in July.
- An AID/Washington team to write the loan paper July 11 through 23 was requested. The PP was to be submitted to AID/Washington by July 23.

6/16/76 AID/Washington to USAID/Port-au-Prince.

Approval for a one-week visit by TA/DA officer and DAI staff person was requested. The purpose of the visit was to review the socioeconomic study in relation to project design and to determine whether further DAI technical assistance was necessary.

7/11- Second DAI trip.
22/76

The DAI team participated in the PP preparation meeting, for which 23 individuals gathered. An argument developed between DAI and LA/DR concerning whether or not sufficient information was available to know what sorts of technological packages were appropriate for Haiti. They also debated whether sufficient information was available on the social and economic characteristics of the population to know how to run a project effectively.

The DAI team prepared a brief paper on the monitoring and evaluation plan for the project.

7/29/76 PP 1 submitted.

7/30/76 Letter DAI team to DAI/Washington.

In summarizing the second trip, the author concluded that LA/DR thought the firm was out to sell its services, and that the LA/DR appeared to be at odds with TA/DA. One consultant was also suspicious of DAI because its report had emphasized the LaBorde project and he did not feel it was like or successful.

9/2/76 Development Loan Staff Committee (DLSC) review of PP.

9/13/76 Memo LA/DR to PPC/DPRE.

The information requested at the DLSC meeting on allocation of resources of the GOH to the agriculture sector was enclosed.

9/22/76 PP 2 submitted.

The PP was amended to change some loan money to grant money as a result of unanticipated changes in the budget. Otherwise, the content remained the same.

9/27/76 PP 2 approved.

9/29/76 Loan authorized.

11/30/76 Cable USAID/Port-au-Prince to AID/Washington.

Details of Conditions Precedent for various parts of the project were discussed. A management information team was expected in the period of March to June 1977.

1/7/77 Cable USAID/Port-au-Prince to AID/Washington.

The Mission requested that the Loan Agreement deadline be extended for 60 days from January 27 to March 29, 1977. This should have led to a three-month delay in the original implementation plan. (Approval was granted.)

1/18/77 Cable USAID/Port-au-Prince to AID/Washington.

The loan-financed technical assistance (from the Credit Union National Association [CUNA]) would be needed to meet Conditions Precedent for the agricultural credit component of the project. Project design called for outside expertise to assist the Bureau of Agricultural Credit (BCA) in carrying out its part of the project; yet the Condition Precedent (Section 3.05) would necessitate that BCA alone somehow plan complex measures that were fundamental to the entire agricultural credit component of the project. The Mission felt this research was needed, but suggested the Condition Precedent be changed to read: "prior to any disbursement or issuance of any commitment document under the loan, except for the procurement of technical assistance borrower shall furnish to AID,..." Then technicians could do their work from September through December 1977. Since credit would not start flowing until 1979, this would allow plenty of time for appropriate planning.

1/21/77 Cable AID/Washington to USAID/Port-au-Prince.

AID/Washington concurred on the change in Condition Precedent recommended by the Mission.

4/5/77 Cable AID/Washington to USAID/Port-au-Prince.

While the problems in obtaining agreement for a waiver of U.S. regulations on fertilizer procurement were appreciated, fertilizer was required to come from U.S. suppliers. Apparently a recent fertilizer procurement had come from a Dominican supplier, who quoted a price almost 25 percent below nearest U.S. supplier. If the Mission could not gain approval for this from the GOH, they should prepare a waiver request with supporting justification.

4/27/77 Loan Agreement signed.

4/29/77 Memo LA/CAR to LA/DP.

The integrated agricultural development loan for \$8 million would provide partial financing for a project estimated at \$21 million. This was expected to be the final loan to Haiti, as a result "of current USG policy of providing all assistance to Less Developed Countries on a grant basis...."

7/25/77 USAID/Port-au-Prince to AID/Washington.

The Mission requested that \$1.9 million of technical assistance be changed from a loan to a grant.

8/2/77 Cable AID/Washington to USAID/Port-au-Prince.

AID/Washington was sympathetic to the Mission's earlier request. Moreover the grant budget for FY 1978 for the project had been increased by \$781,000 to a new total of \$1.481 million; the budget for FY 1979 had been increased by \$426,000 to a new total of \$1.386 million.

10/27/77 Telephone interview DAI with LA/DR.

No funds had yet been authorized, because compliance with the Conditions Precedent in the grant had been extended to December 31, 1977.

NIGER DEPARTMENT DEVELOPMENT PROJECT

SUMMARY

Description¹

The project will begin a process of rural development in the Department of Niamey by strengthening agricultural services, training farmers, developing cooperatives, livestock, irrigation, information programs, and preparing a comprehensive area development program.

Total AID Funding

Mission PP \$4,699,000 grant

Duration

Three years

Design/Approval Process

	<u>Document Submitted</u>	<u>DAI Involvement</u>	<u>Time Elapsed</u>	<u>Document Approved</u>
PID	-	-	-	6/75
PRP	12/75	-	1 month	1/8/76
PP 1	8/76	✓		
PP 2	3/4/77	-	2 months	5/25/77
Pro/Ag Signed	-	-	3 months	8/29/77

Total Design Approval Time

PRP to Project Agreement 2 years, 2 months

Status October 1977

A project manager was hired in May 1977, before the project agreement was signed. He was paid out of Mission funds and instructed to begin preparation for project activities. The project agreement was signed in August 1977.

¹ For purposes of consistency, AID posts in the Sahelian countries are referred to as Missions and the representatives as Mission Directors, although these terms are not technically correct.

NIGER DEPARTMENT DEVELOPMENT PROJECT

CONTENT SUMMARY

	<u>First Paper¹</u> DAI PP	<u>Second Paper</u> USAID/Niamey
1. Goal/Purpose	<p>The project goal is to strengthen the agricultural sector in Niger, to increase production in food grains and to increase export revenues.</p> <p>The project purpose is to establish the necessary infrastructure, technical and operational capability at the Department, arrondissement and village levels and to prepare a detailed plan for the second phase or production-oriented portion of the project.</p>	<p>The project goal is to increase food production, rural incomes and standard of living in the Department of Niamey.</p> <p>The project purpose is to begin a process of rural development by providing the initial motivation and organizational requirements for economic and social development and by creating an institutional, physical and technical capability in the Department of Niamey.</p>
2. Implementing Techniques	<p>The project purpose will be accomplished by the developing of numerous interrelated activities, e.g., an information, monitoring and evaluation system; an agricultural production support system by establishing management skills; cooperatives, by improving livestock production, soil and water conservation; and animal traction techniques, by initiating social and economic infrastructure schemes.</p>	<p>The project purpose will be accomplished by strengthening agricultural services, developing cooperatives, a farmer literacy program, a livestock program, trial irrigation schemes, village information and radio programs, preparing a comprehensive area development program, establishing a project management unit and analyzing social and economic information.</p>
3. Funding Level AID Contribution	\$1,866,000 grant	\$4,699,000 grant
4. Time for Planning/Flexibility	<p>The demonstrations, experimentation and activities of this first phase (two years) will provide a sound preparation for the second or implementation phase of this project. The productivity fund will extend credit needed to test alternatives.</p>	<p>The project will, over a three-year period, carry out a number of carefully defined interventions particularly for demonstrating and extending improved methods of millet production. The project will need implementation flexibility to be able to respond to strategy changes dictated by experience.</p>

¹ The PID and PRP for this project could not be located.

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	<u>First Paper</u> DAI PP	<u>Second Paper</u> USAID/Niamey
5. Small Farmer Involvement in Decisionmaking	By involving the local population in development decisionmaking, it will be possible to increase farmer resource commitment to the development effort. This resource commitment will help ensure that the benefits of the development effort will become self-sustaining.	Beyond animation activities and the establishment of a literacy program, there appears to be no explicit statement of a role for small farmer participation.
6. Small Farmer Resource Commitment	See item five above. The project will establish a productivity fund to provide credit for the purchase of agriculture supplies and equipment. No input should be provided free to farmers even for untested technological packages. Mutuals and cooperatives can become the focus for mobilizing village resources in support of developmental interventions. The development fund will be used to match (as required) village commitment to labor and cash from self-help projects.	Nothing.
7. Increased Planning and Economic Capacity of Local Organizations	A system of cooperatives and village mutuals established in the project zone will expand local organizational, technical, and financial capabilities for improving agricultural production, as well as solving locally identified problems.	Project will pursue a policy of developing organizational and technical capabilities at the department, arrondissement, and local levels. Over the three-year period, approximately 42 local farmers will be recruited, trained and assigned to work with the cooperatives and local farmer associations (mutuals) that ought to be organized. Over 2,600 village mutual and cooperative leaders will be trained.

	<u>First Paper</u> DAI PP	<u>Second Paper</u> USAID/Niamey
8. Information Systems	The information system section will monitor the inputs and the first-stage outputs of the project; evaluate the effects of individual experiments as well as the project overall on development of the project zone; diagnose why various activities are or are not working.	The project management unit will serve to collect information and conduct evaluations of various interventions being developed and introduced, as well as to direct and assist the studies program in amassing and evaluating the information required to prepare the reports and studies to be utilized in the development of the long-term development plan.
9. Specifications of Need and Mechanism to Make Project Benefits Self-Sustaining	<p>See item 5 above.</p> <p>By the end of the project, production will be increased sufficiently to cover the consumption needs of the project zone plus the City of Niamey.</p> <p>Of particular importance in the project planning and implementation will be developing local organizational, financial and technical capabilities so that the development effort does not collapse when outside resources are withdrawn.</p>	Nothing.
10. Organizational Plans for Implementation	<p>The Minister of Rural Development, with the approval of the Prefect, shall appoint the project director. The project director shall meet monthly with the department heads and technical service chiefs in order to examine progress.</p> <p>A committee of representatives from the arrondissement's technical departments shall function as a governing unit in planning and production. At the sub-project zone level, there shall be an area development committee (Continued)</p>	<p>The Ministry of Rural Development is assigned the responsibility and authority for organizing and managing the project. The Ministry, in turn, will look to the Cooperative Federation to exercise these functions under direct delegation. It will appoint a project director who will manage the project. A U.S. project advisor will assist and advise the director in his functions. Project implementation will be exercised by the committee of department heads and technical service chiefs. This (Continued)</p>

	<u>First Paper</u> DAI PP	<u>Second Paper</u> USAID/Niamey
10. (Continued)	<p>(Continued) composed of local government personnel, of the presidents of the cooperatives, and of the locally recruited extension workers. It shall determine the most effective means of ensuring communication between the small farmer and the government agency. The agent responsible for the project at the level of the area development committee shall be an extension worker appointed by the project director. The organization at the base of the project shall be handled by the village mutuels which, in turn, shall be regrouped into cooperatives consisting of approximately eight villages each.</p>	<p>(Continued) committee, under the chairmanship of the department governor (prefect), will exercise a coordinating role over all development activities in the department. At the arrondissement level, development activities are kept under review by an equivalent committee at that level. The project director will perform the function of coordinator. At the lower level a coordinator with similar responsibilities will be appointed from among the arrondissement service chiefs.</p>

PROJECT DESIGN/APPROVAL CHRONOLOGY

- 6/75 PID approved.
- 12/75 PRP submitted.
- 12/15/75 PRP Committee review Issues Paper

Two committee meetings were scheduled to review the project, but the members were never able to meet at one time for a consensus. While the project was consonant with AID priorities, the committee members agreed that additional, extensive work needed to be done before the basic technical, economic and procedural questions could be answered. Programmatically, these questions could be answered in one of two ways:

- Phase I of the project, as designed, could be used to research and specify interventions to be undertaken in Phase II. Phase I could begin in FY 1977 and last two years.
- The draft PRP could be considered a sophisticated PID and another team could write a PRP for FY 1978.

The specific concerns of the committee members were:

- lack of adequate social and economic analyses,
- undefined intervention strategy,
- uncertain host country reception to the project, and
- vague cost estimates.

- 1/8/76 ECPR meeting, PRP approved.

The PRP was approved for inclusion in the Congressional presentation for FY 1977 as \$640,000 to undertake a two-year study, which would serve as the basis for a PP. The studies undertaken were to document the farmers' response to various interventions, and examine the feasibility of on-farm cattle raising, of lowland irrigated farming, of expanded cowpea and millet production, of constructing village access roads and of developing cooperative credit and extension systems.

2/20/76 Cable AID/Washington to USAID/Niamey.

The composition and schedule of the design team were to be determined by the Mission Director and REDSO/WA. The design team would determine the actual studies to be undertaken in Phase I and describe other activities to be initiated.

5/15-
6/25/76 First DAI trip, PP design.

The design process began with a preliminary survey of the project area and a general meeting with Government of Niger (GON) officials involved in the project. This general meeting was followed by individual conferences between DAI and personnel in the nine to ten participating government agencies to learn what they thought should be done and what resources they had available.

During these discussions and from the survey the team concluded that none of the projects underway were really working, and that the assumption (stated in the PRP) that appropriate technologies were available and required only a proper delivery system was inaccurate. They determined that experimentation was needed in many areas, including agriculture, livestock, soil and education. As a result they developed jointly with local officials an experimental project. The team drafted a project outline that was discussed, modified and agreed to by all appropriate government officials. It was then presented to senior government officials by the Mission Director. The team's movements were covered closely by the press, and details of the project were aired thoroughly by the press after the meetings with senior government officials.

In summary the major issues that evolved during the design process were:

- Was sufficient appropriate technology available?
- What was the organizational arrangement?
- Was the project economically viable?
- Was UNCC capable financially and institutionally of managing the funds?
- What sorts of information systems were appropriate?

It was apparent from this outline that more information was needed to resolve several issues. The Mission Director contended that the experimental approach was unnecessary, that an agricultural specialist should manage the project, and that the project outputs would be too few and too slow in materializing. The GON, while recognizing the need for systematic testing, was concerned that the project did not provide sufficient resources for the different agencies to carry out their responsibilities or for the organization structure. On this last point, the project gave the Niamey Prefect authority over central government officials working in his Department. This was agreed to by central government officials only on an experimental basis.

Summer
1976

Social Soundness Analysis written.

A consulting social scientist from Cleveland State went out to do the social soundness analysis on the project at the request of AID/Washington. While he agreed with the orientation of the DAI project, he argued that the institutional base it relied upon to implement the project simply did not exist. Further, he pointed out that the cooperatives in the area were paper cooperatives, that the animation service was in the process of being abolished, that the line ministries had serious misgivings about handing over the direction of the personnel to the Prefect of Niamey, and finally that there were insufficient resources included in the project to implement it. Upon interviewing the animation people, the social scientist found them to be very pessimistic regarding their ability to perform their assigned roles.

[The social scientist and the DAI consultant were not in agreement with the Mission Director. The Mission Director wanted action and disagreed with the allegation that there was not sufficient organizational infrastructure to implement the project or proven technologies to be introduced.]

8/76 PP 1 submitted.

10/11/76 Memo USAID/Niamey to AFR/DR.

The PP provided an adequate base, with some modifications, for Phase I. Nevertheless, the memo requested that the PP review be delayed until late November so he could personally clarify several points (in a Director's summary and overview) and present the results of meetings held with the Ministry of Rural Development to specify project activities.

The letter reflected general optimism but frustration with the procedural process.

10/14/76 First Committee Review, PP 1.

The issue of the whole underlying philosophy of the project design was reopened, i.e., should it be a planning/designing project or an "action" project?

Certain issues were considered to be inadequately addressed, including environmental questions, technical packages, the community development fund, and the Agency financial commitment to the project. As a result of this meeting, another review was scheduled in November to determine the next steps to be taken.

10/21/76 Letter AFR/DR to USAID/Niamey.

This letter informally advised the Mission that the review committee agreed with the design in principal, but objected to one component: the community development fund (\$50,000), which might violate Section 611(a)(1).

11/18/76 Memo USAID/Niamey Project Manager, Agriculture to Mission Director.

A meeting was held between Mission staff and GON officials to outline a possible approach for activities to be undertaken in the Niamey Department Project. They agreed to use ten "clusters" of five villages each as working units. Each village would have three to five demonstrations; the "cluster" would receive one *aide-encadreur*, and one village within the "cluster" would have a cooperative. The cooperative would be provided with such things as fertilizer, insecticide, hand tools, oxen and "animal tools," in addition to those items already provided in the project. While this is only a start, the author commented, "it is something that should work and be highly visible."

11/22/76 DAI Interview with USAID/Niamey Mission Director.

The Mission Director expressed general displeasure with DAI work and indicated that he would not need the firm's assistance in rewriting Phase I of the PP.

Specifically, the firm had misinterpreted GON's development objectives, the Mission Director said without specifying the details of the misinterpretation.

The project would be implemented through a personal services contract if possible. However, if the Mission was forced into a contractual arrangement with a firm, it would be done through competitive bidding.

11/23/76 Second Committee Review, PP 1.

Virtually the same concerns were expressed in this PP review as in previous ones. It was determined that the project, which was expected to begin February 1977, needed revision, and that the following points should be addressed specifically:

- The technical packages should be discussed in detail;
- The relationship between Phases I and II should be explained; and
- The design had to conform to the Congressional mandates.

[Although the Nigerian institution that was to play a primary role in the necessary socioeconomic data collection and analysis, and the animation service had been abolished, no discussion was directed to these problems.]

The Mission Director attended the meeting and clarified several points concerning the background of the project. The Review Committee made it clear that the PP would only commit Agency funds to data collection and preliminary project activities, and not to a larger project, the second phase of activities.

11/24/76 Memo AFR/DR on Second PP review meeting.

Reiterating Washington's continuing problem with the project, the author remarked: "Needed for all aspects of the design effort are clearer statements of the problems, their interrelationships, and methods to be tried in overcoming these problems." If necessary, AID/Washington would provide assistance to design the revised PP.

The following items were to be addressed by the Mission in revising the PP:

- The project was to be a two- to three-year research/design effort to develop a program for Niamey Department and to create the proper conditions for implementation.

- The various project activities, the problems involved in implementing them and the methods used to overcome them were to be clearly stated in order to avoid a violation of Section 611(a)(1). Particular attention was to be paid to the sections on credit and agronomy.
- The environmental requirements were to be met and the social soundness analysis written.

This new PP was to focus on creating a regional development plan as the primary output of Phase I. The Agency was committed to fund only Phase I.

12/23/76 Memo from USAID/Niamey.

A meeting was held between the Mission Director, the Director of UNCC, and the UNCC Chief of Production Services to discuss the organization of the Niamey Department Project. It was agreed that a director should be appointed as soon as possible so that he could participate in the planning.

Concerning organizational questions, the issue of the suitability of the village as a basis for cooperative action was raised and resolved by agreeing to maintain flexibility. On the related issue of the level and status of existing cooperatives, the UNCC officials said they were in the process of providing cooperatives with legal status and local autonomy.

12/28/77 Cable AID/Washington to USAID/Niamey.

The Review Committee recommended that the project be reconstructed as a two- or three-year pilot design project. The major outputs would be:

- A land and human resource survey;
- A development program for the Niamey Department;
- Strengthening of conditions within the Niamey Department so that implementation of the development program can follow immediately; and
- "Pilot modular demonstrations of the program," including coordinated village-level action and technological packages.

They suggested the following outline for revising the PP: conceptualize a long-range development program; state major hypothesis and essential supporting hypotheses that establish major assumptions required for

project implementation; define activities; and establish the relationships between preproject activities and other ongoing or planned development activities.

- 3/4/77 PP 2 submitted.
- 3/18/77 PP 2 Committee review.
- 3/24/77 Cable AID/Washington to USAID/Niamey.

The Project Review Committee was not satisfied that the construction plans met Section 611(a)(1) requirements. They recommended that the Mission confer with REDSO/WA and send a cable confirming that REDSO engineers agreed that plans were adequate to satisfy Section 611(a)(1).

- 4/4/77 Issues Paper for ECPR meeting.

Both the Mission Director and Deputy Program Officer had been present at the project committee review. Unresolved issues from that meeting were as follows:

- Did the project represent a testing and design phase of a multiphased integrated rural development program?
- A revised PP called for a major recruitment of approximately 250 local personnel and their training and assignment to villages to organize cooperatives, conduct literacy classes and agricultural demonstrations and trials. In addition, the project would provide cooperative and agricultural extension services to 210 villages during Phase I (now three years). Apparently, the proposed project design went beyond the intent of the original Project Paper and the AID/Washington guidance cable. The PP acknowledged this and in defense pointed out that "a project intervention of this magnitude is required to meet the minimal political needs of the Government of Niger and the 'concerns of the AID/GON project designers over the minimal requirements to establish proof of project purpose achievement that the scope of the project represents optimal trial and design requirements.'"
- Was the project adequately structured to provide the project managers with the information they require to evaluate and modify the individual project elements?
- So that the project might maintain the flexibility to overcome shortcomings in the existing government

services and village organizations, the PP called for a formal evaluation plan based on annual evaluations. However, it did not outline or fund the development, testing, and use of a system capable of producing the required data.

- Were adequate AID funds available during FY 1978-1979 to carry out the proposed implementation schedule?

The original proposal called for spending \$640,000 in 1977 and \$1,226,000 in 1978. The revised proposal calls for spending \$640,000 in 1977, \$2,629,000 in 1978, and \$1,564,000 in 1979. In addition to the above primary concerns, the project committee requested that the following actions be taken to complete the Project Paper: (a) satisfy 611(a)(1) requirements; (b) prepare initial environmental assessment in conformity with AID Regulation 16; (c) revise the fishpond and irrigation subprojects to include a health and environmental study; (d) include a study of the recurrent project cost as part of the first phase; (e) prepare a training schedule; (f) justify contract arrangements, either host country or AID contract; and (g) prepare a study of existing credit mechanisms as a Condition Precedent to allotment of credit funds proposed in the PP.

4/7/77 ECPR meeting.

4/19/77 Cable AID/Washington to USAID/Niamey.

ECPR decided to recommend approval of project upon resolution of the issues below:

- development of an outline plan for project management;
- coordination of personnel, particularly the Peace Corps Volunteers, who may have inadequate technical skills;
- design of an information system, including the testing and installation mechanisms (The specialized skills necessary for its development could probably not be handled by the current suggested team.);
- preparation of an environmental evaluation as outlined in AID Regulation 16;
- examination of the fishpond and small irrigation sub-projects to include a study to evaluate and monitor the potential environmental hazards;

- inclusion of a study of recurrent costs and how the host country would be able to take them over during the second phase of the project;
- expansion of the training component, specifying how it would be accomplished;
- preparation of a waiver of host country contribution to cover shortfall in their contribution;
- preparation during the first year of a justification for the credit program to be started in the second year of the project; and
- certification by a REDSO engineer that the proposed building plans are economically reasonable, suitable to the project and structurally sound, to satisfy the requirements of Section 611(a)(1).

5/4/77 Letter USAID/Niamey to AFR/SFWA.

In discussing the amount of time needed to approve the Niamey Department Project, the author stated: "Our culture seems to require this time consuming process which in my judgment too often represents an intrusion into matters best left to the field office to handle." One of the causes, in his opinion, was the lawyers. "The economists nearly ruined the aid program in the fifties and sixties. Now the lawyers seem bent on emasculating the effort!"

no date Draft memo AA/AFR to AA/PPC.

The ECPR held its final meeting on this project and recommended that it be approved upon resolution of certain outstanding issues. This was done by revising the PP annex. As a result of these changes, the project was recommended for approval.

5/25/77 PP 2 approved.

5/26/77 Memo AFR/SFWA to USAID/Niamey.

General Counsel finally cleared the PP May 25. They received Section 611(a)(1) certification and would be allotted \$1 million for FY 1977 and given three months to obligate the funds.

A project manager was named who has found qualified people to fill the other positions, but would prefer to delay hiring until absolutely necessary in order to show a budget surplus for the fiscal year.

7/16/77 Cable USAID/Niamey to AID/Washington.

There had been some confusion over the waiver requested for the procurement of offshore vehicles for the project. The PP submitted a waiver request and, when the ECPR review cable made no reference to it as an issue to be resolved, the Mission assumed it had been approved. Upon receiving the approved PP package, three and one-half months after the initial project review committee meeting, the Mission discovered the waiver request had been deleted. The same justifications for this waiver remained: There were no repair services for American vehicles and the time required for procurement was a problem. On the latter point, the Mission first informed the Ministry of Rural Development that the PP had been prepared in June 1976, then in February 1977. It would be stretching their credibility to then announce that they would have to wait seven or eight months to receive the first commodity input. (The waiver was approved.)

8/29/77 Project Agreement signed.

TANZANIA FARMER TRAINING PROJECT

SUMMARY

Description

The project will improve the social and economic well-being of small farmers by gaining an understanding of their decisionmaking practices and constraints and by testing different technological packages, and training and extension approaches.

Total AID Funding

PP \$2,514,150 grant

Duration

Four years

Design/Approval Process

	<u>Document Submitted</u>	<u>DAI Involvement</u>	<u>Time Elapsed</u>	<u>Document Approved</u>
PID	-	-	-	-
PRP 1	1/75	-	-	-
PRP 2	10/24/75	✓	2 months	12/10/75
PP	3/29/76	✓	16 months	8/8/77
Pro/Ag Signed			1 month	9/13/77

Total Design/Approval Time

PRP to Project Agreement 2 years, 8 months

Status October 1977

The request for competitive bidding to implement this project will be published in *The Commerce Business Daily* shortly.

TANZANIA FARMER TRAINING PROJECT

CONTENT SUMMARY

	<u>First Paper</u> PRP 2	<u>Second Paper</u> PP
1. Goal/Purpose	The project goal is to improve the social and economic well-being of small farmers in Tanzanian villages. The purpose is to increase food production by improved agricultural practices and farm technologies.	Same as PRP.
2. Implementing Techniques	The purpose will be accomplished by establishing a Farmer Training Wing at each participating Ministry of Agriculture Training Institute (MATI), providing technical assistance to the MATIs, training staff and students in data collection and analysis, improving agricultural practices and extension, and supplying farmer training techniques materials.	Same as PRP.
3. Funding Level AID Contribution	\$1,716,250 grant	\$2,514,150 grant
4. Time for Planning/ Flexibility	Various extension and training approaches will be tested and used in different villages. The MATIs will test new technological packages in the sponsored villages.	The project will test different training and extension approaches and technological packages. New practices will be introduced to the villages for testing. This project should be considered as a combined experimental/training effort.
5. Small Farmer Involvement in Decisionmaking	The intent is to discover techniques by which local villagers might begin to move toward solving problems that they have defined themselves.	Small farmers must be involved in testing new technological packages and the various extension and training approaches. Small farmer participation is the major component of the project.

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	<u>First Paper</u> PRP 2	<u>Second Paper</u> PP
6. Small Farmer Resource Commitment	Small farmers will test new technological packages and various extension and training approaches transferring agricultural knowledge.	The project will rely initially on the resource commitments of the villages to implement new technologies; as major constraints are uncovered, the district and regional governments will be expected to make necessary larger resource commitments, complementing but not overwhelming the village commitments. It will be important to develop the technical specialization of village working committees so that they can contribute to increasing village production and financial self-sufficiency.
7. Increased Planning and Economic Capacity of Local Organizations	The MATIs will train the farmers to use new technologies. The project is designed to expand the capabilities of the MATIs. Existing MATI staff and students will do the farmer training and assistance. One early output of the data collection will be the definition of special training requirements for improving the villages' capabilities for planning.	The project is designed to expand the capabilities of the MATIs to include a Farmer Training Wing. The MATIs will also provide in-service training for junior agricultural extension workers. The data collection and analysis work will provide the basis for designing training and assistance programs to help farmers.
8. Information Systems	The MATI students will collect basic data on the current production and will document social systems in the villages that are to be sponsored by the MATIs. Each MATI will monitor and assess the impact of changes in production practices. Of particular importance will be the dialogue that develops between the students and the farmers.	The MATI students will collect information on agricultural production practices in villages sponsored by the MATIs, to be used to identify training and other requirements for helping villages and farmers improve their production. Securing this information requires strong two-way communication between farmers and extension workers. Information developed at each project site will determine who is receiving the benefits of the development effort (Continued)

	<u>First Paper</u> PRP 2	<u>Second Paper</u> PP
8. (Continued)		(Continued) and what difference the project has made in their socioeconomic well-being. Information will also be collected to determine the constraints that prevent some farmers from benefiting; it will have a diagnostic capability for identifying alternatives to overcome these constraints. The manner of collection and analysis must be tailored to fit the particular environment in rural Tanzania.
9. Specification of Need and Mechanism to Make Project Benefits Self-Sustaining	It will be important to develop the technical specialization of the village working committees so that they can contribute to increased village production and financial self-sufficiency. The government, in cooperation with the villages, is attempting to make the latter into financially self-sufficient production units.	Outside assistance will be minimized in order to maximize the chances of the benefits becoming self-sustaining.
10. Organizational Plans for Implementation	The project will be implemented through the MATIs. The capabilities of the MATIs participating in this project will be expanded to include Farmer Training Wings with attached Mobile Farm Assistance Units for village level work. In addition to the approval of the district and regional offices, the village councils in the selected villages would have to approve the involvement of the MATI staff and students.	The project will be implemented through the MATIs. The MATIs will be expanded to include Farmer Training Wings, which will sponsor (or adopt) two or more villages in the area surrounding the MATI. The project will be conducted with the approval and assistance of District and regional offices.

PROJECT DESIGN/APPROVAL CHRONOLOGY

1/75 PRP 1 submitted.

1/5/75 Letter USAID/Dar Project Manager to AFR/DS.

A PRP for farmer training, which was the Mission's "attempt to reach the poorest elements of the population" in the area of agriculture, was enclosed. A great deal of work was still needed on the project, and assistance was solicited on both substantive issues and recommendations for a PP design team. A copy of the project had been given to the Institute of Adult Education for their comments.

2/12/75 Letter AFR/DS to USAID/Dar.

An informal meeting was held on January 27, attended by various members of the Agency, to discuss the Farmer Training Project. These issues were raised:

- The project did not support adequately the concept of the pilot training center that would eventually be integrated into a national agricultural training development scheme. The alternative of going through an existing organization had been ignored.
- American technical assistance was excessive.
- Modification was needed to meet new Agency regulations governing project duration. In the future funding would cover three years; the total life of a project would be limited to five years.
- Prior to initiating local training programs, appropriate technological packages were to be developed.
- This project was to be coordinated with other AID projects in Tanzania.

The author recommended implementing the project through an existing institution, such as the Adult Education Program.

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The group recommended delaying an ECPR review of the document until the Mission had an opportunity to discuss it with representatives of the Institute of Adult Education.

5/22/75 Cable USAID/Dar to AID/Washington.

The Ministry of Agriculture wanted the Farmer Training Project to be a subactivity of the Manpower Project. Regarding project design, the Mission requested that Washington supply a nonformal education specialist. West Virginia University had been asked to supply agricultural experts; REDSO/EA and the Mission were to provide the remaining team members.

9/12/75 Cable AID/Washington to USAID/Dar.

A DAI team was recommended to assist in revising the PRP.

9/28-
10/16/75 First DAI Trip, PRP 2 designed.

A DAI team, together with members of AFR/DS and REDSO/EA, redesigned the Farmer Training and Production PRP. Conceptually, the project was based on the process approach to project evolution in direct contrast to the first PRP, which stated precise interventions in training and technology. Procedurally, the design team split into two groups to visit four MATIs and to discuss the project with representative farmers. Upon returning to the capital, the team discussed the project with officials in the Ministry of Agriculture and Prime Minister's Office and wrote a new PRP.

10/24/75 Cable USAID/Dar to AID/Washington, PRP 2 submitted.

The Mission proposed that the revised PRP be included as a subproject under the Agricultural Manpower Development Project.

11/19/75 PRP 2 Committee review.

12/10/75 Cable AID/Washington to USAID/Dar, PRP 2 approved.

The Farmer Training PRP was the best example of a project using appropriate technologies, training and extension techniques to improve the quality of life that the Africa Bureau had received. Several issues were to be addressed during the PP preparation.

- The project should focus on the dynamics of the process of small farmer participation in the design and implementation. Specifically, his involvement in the research, curriculum development and evaluation, and the benefits he would receive from the improved technologies and extension, should be described.
- Because of the inexperience and lack of knowledge about small farmer behavior, the likelihood of success would be increased if the project were limited to one or two MATIs.
- The relationship between this project and others, particularly the Agricultural Manpower Project, should be clearly defined.
- Project success depended on the relationship between the numerous agencies involved. This relationship should be addressed in the section on implementation planning, which should also indicate that the research and curriculum design is part of the project itself, rather than part of the project design as stated in the PRP. An evaluation should take place one year after the arrival of the first advisor to allow for early modification.
- The availability of resources for the technical packages should be addressed.
- Because the Agency was providing only training services, no further environmental assessment was needed.
- The social soundness analysis had to discuss the role of women; the PRP almost ignored this issue.

Washington was willing to supply people to write the PP in cooperation with West Virginia University.

2/12/76 Cable USAID/Dar to AID/Washington.

The Mission wanted DAI to work on the PP beginning March 1 for several days.

3/2/76 Second DAI trip.

The Mission asked DAI to help prepare the PP. Specifically, they wanted assistance in discussing the relationship and balance between an action program and data gathering with the host

country. The discussion centered on the issue of farmer training and whether the emphasis was to be placed on agricultural or social science issues. West Virginia University, which was directing a large Agricultural Manpower Development Project working through the Ministry of Agriculture, argued forcefully for the former; the Government of Tanzania agreed. Thus, the project was again modified.

3/9/76

Cable USAID/Dar to AID/Washington.

There had been some misunderstanding concerning the roles of the four technical experts to be assigned to the MATIs. The Mission saw their work as:

- Helping design the research to analyze farmer behavior;
- Assisting in testing, training and extension methods for the different technological packages;
- Training the MATI staff and students in data collection and analysis techniques; and
- Assisting in dispersing technical assistance to the villages.

The Mission wanted the positions to be filled by agricultural or rural development specialists experienced (four to six years) in traditional farming systems, extension, training and research methodology. Minimum education required was an M.S. in agriculture; a Ph.D. was preferable, with one degree in a supporting subject. Language capability in Swahili was needed. Reflecting a shift in project emphasis from data gathering to agricultural production, the Ministry of Agriculture had agreed to a fifth position on the team to assure that the data collection activities would receive the desired emphasis.

3/18/76

Letter USAID/Dar Agricultural Development Officer to AFR/ESA.

The PP had not been changed conceptually; the only real change had been to delete the term "data gathering" and to add the agricultural background requirements for the technicians.

3/29/76

PP submitted.

3/29/76 Memo USAID/Dar to AFR/ESA.

The Farmer Training and Production subproject of the Agricultural Manpower Project was submitted. A fifth person to supervise the data collection activities had been added to the team at the request of the Minister of Agriculture. Convinced that this did not change the concept, the Mission requested that West Virginia University be given a sole source contract to implement the project.

5/4/76 PP Committee review.

5/13/76 Cable AID/Washington to USAID/Dar.

The project committee had reviewed the PP and would recommend approval, a process requiring a minimum of two weeks. However, several modifications were requested.

The important issues involved in hiring technicians were not formal qualifications, but whether they understood the aim of the project, would work under difficult conditions and could relate to small farmers. The recommendation that a consortium be the contractor was approved with the understanding that West Virginia University would hire others experienced in personnel recruitment, training and evaluation. A predominant capability justification was required.

The proposed academic training was not clear in relationship to the project objectives. This would have to be explained.

5/19/76 Cable USAID/Dar to AID/Washington.

The Ministry of Agriculture was still insisting that the technicians have a satisfactory agricultural background or they would not be approved. This decision was based on the local situation; it was not an arbitrary decision.

6/4/76 Draft Action Memo AA/AFR to Deputy Administrator.

Approval for the Farmer Training and Production component of the Agricultural Manpower Development Project scheduled for initial obligation in FY 1976, with AID contributing \$2.5 million, was requested. The proposed grant would finance activities aimed at improving the social and economic well-being of

small farmers in Tanzanian villages. It was anticipated that the West Virginia University/North Carolina Agricultural and Technical State University consortium would implement the project. A predominant capability justification was requested. However, as a condition to approval, the contractor would have to use "the expertise of other knowledgeable and experienced organizations in the recruitment of personnel, training and evaluation."

1/7/77

Memo General Counsel to AFR/DR.

General Counsel offered several comments on the Farmer Training and Production Project. He treated the project as a separate entity, not as a sub-project of the Agricultural Manpower Project, because the basis for linking the two projects appeared to be for administrative convenience. Therefore, it could not be treated as an amendment to the Agricultural Manpower Project.

Because the project was referred to as an ongoing project authorized in FY 1976, Congressional advice would be necessary.

Waivers to purchase foreign vehicles and commodities should be submitted immediately to eliminate implementation problems, but approval was not contingent on the waiver requests being made concurrently.

An Initial Environmental Examination (IEE) was required, and compliance with these regulations established prior to clearance by General Counsel.

Finally, the PP failed to prove that a predominant capability waiver was warranted to procure the exclusive consortium services of the West Virginia University and the North Carolina Agricultural and Technical State University. On the contrary, the Action Memo had put a condition on project approval that the prospective contractor supplement its skills in personnel recruitment, training and evaluation with the expertise of organizations knowledgeable and experienced in the dynamics of small farmer production. These skills appeared to be those necessary for a predominant capability waiver. "To propose seeking a predominant capability waiver for an institution so lacking in the basic skills necessary to carry out the project reveals a serious lack of concern or knowledge of basic U.S. contracting principles." Approval was to be on the basis of normal competitive procurement. "A further point of concern is the sug-

procurement. "A further point of concern is the suggestion in the Action Memo that the supplemental services be provided by DAI. DAI was the primary author of the PP. An obvious conflict of interest situation exists. Did DAI design the project so that its services were necessary?"

1/13/77 Letter OIC/East Africa to Assistant Director USAID/Dar.

It was reluctantly agreed that the MATIs should be dealt with programmatically under a single project: the Agriculture Manpower Development Project. Congressional Notification, therefore, was not required because of program content, but because of funding constraints. It would be dealt with after the subproject was authorized. The only impediment to authorization was the Environmental Assessment. AFR/DR was preparing a negative environmental finding to be included in the PP, which would satisfy this requirement. The issue that gave the Mission greatest concern was that of technical procurement. The conclusions of General Counsel were "quite sound." Unfortunately, they were not raised during the PP review. Nonetheless, the author recommended getting the PP approved first, then dealing with this issue, which had the advantage of allowing the Mission "time to develop predominant capability argument if you prefer not to agree at this time with a competitive procurement procedure." In any case, lengthy delays often occurred because of the new perceptions, inherent in frequent staff turnover, and this project had been "shelved" for about six months because of approval difficulties at the Mission.

3/2/77 Memo AFR/DP to AA/AFR.

Project authorization was recommended; the funding issue and Congressional Notification would be handled later. The current Congressional presentation only covered approved ongoing Agricultural Manpower Development Project activities. While the new Farmer Training subproject had been described in this CP, in order to begin the project in FY 1977, Congressional Notification to increase funds by \$2-300,000 would be necessary.

5/21/77 Cable AID/Washington to USAID/Dar.

Washington was considering funding the Farmer Training subproject all at once at \$2.5 million instead of incrementally. If the Mission recommended incremental funding, \$832,000 would be available to cover the first year.

In deciding whether to enter into an FY 1977 project agreement for the full estimated project cost, the Mission was to consider several issues. The project was highly experimental. Moreover, until the technical assistance team arrived probably no substantive implementation arrangements could be negotiated with Tanzania. Since they had to select a contractor by competitive bidding, the team might not arrive for 12 months. They would wait for the Mission's opinion on the preferred funding approach before presenting the Congressional Notification.

5/25/77 USAID/Dar to AID/Washington.

The Mission concluded that total funding for the "life-of-project" was not practical. This decision was based on the issues raised by Washington, as well as a total lack of guidelines on the requirements of this type of funding.

5/28/77 Cable AID/Washington to USAID/Dar.

Washington again proposed to authorize the project with "life-of-project" funding. An immediate response was requested.

5/31/77 Cable USAID/Dar to AID/Washington.

The Mission reiterated its concerns about "life-of-project" funding: lack of guidelines, necessity of possible extraordinary documentation requirements, additional controls, reporting requirements, potential loss of financial flexibility. Until the guidelines concerning this type of funding were given, the Mission preferred incremental funding.

7/14/77 Cable AID/Washington to USAID/Dar.

The Congressional Notification waiting period (15 days) for the Farmer Training subproject was to expire on July 24; anticipated project authorization would come shortly thereafter.

8/8/77 PP approved.

9/13/77 Project Agreement signed.

TANZANIA VILLAGE DEVELOPMENT PROJECT

SUMMARY

Description

The project will help the villages in Arumeru, Mbulu and Hanang Districts of the Arusha Region to identify, implement and evaluate development activities for improving production, income and well-being of small farmers.

Total AID Funding

PP \$14,660,000 grant

Duration

Four years

Design/Approval Process

	<u>Document Submitted</u>	<u>DAI Involvement</u>	<u>Time Elapsed</u>	<u>Document Approved</u>
PID	11/30/76	-	3 months	3/9/77
PP 1	7/77	✓	-	-
PP 2	10/7/77	✓	-	-

Total Design/Approval Time

PID to Date

14 months, ongoing

Status October 1977

The first PP was approved on the condition that the Village Development Project and Arusha Regional planning exercises be integrated, that guidelines be developed to assess the subprojects, and separate initial environmental evaluations be done on each sub-project. The revised PP 2 awaits formal approval.

TANZANIA VILLAGE DEVELOPMENT PROJECT

CONTENT SUMMARY

	<u>First Paper</u> PID	<u>Second Paper</u> PP
1. Goal/Purpose	The project goal is to increase the income and welfare of families in rural villages.	<p>The goal is to improve the production, income and well-being of people in the rural areas of Arumeru, Mbulu and Hanang Districts of Arusha Region.</p> <p>The project purpose is to strengthen the capabilities of the region, the three project districts and the villages therein to identify, implement, and evaluate development activities.</p>
2. Implementing Techniques	It will address the specific constraints at the village level.	To accomplish the project purpose, village production and regional development plans will be formulated; village, regional and district information systems devised; crop and livestock technologies identified and tested; farmers' centers extension methods established; government and village officials trained in appropriate technology and management/accounting; and agricultural supplies, credit, rural infrastructure and enterprises established.
3. Funding Level AID Contribution	\$4,975,000	\$14,660,000 grant
4. Time for Planning/ Flexibility	In Phase I, villages with inadequate infrastructure will be identified; they would prepare plans to improve this infrastructure as a precondition to participation in the project. We have few answers, our response to the problems will be experimental, (Continued)	The first phase (one year) will involve the planning and initiation of critical development activities in selected wards and villages. The project will begin with a dialogue among regional, district and village officials to determine development (Continued)

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	<u>First Paper</u> PID	<u>Second Paper</u> PP
4. (Continued)	(Continued) and the proposed project must be extremely flexible and innovative in implementation.	(Continued) priorities. In Phase I, if villages are prepared to commit local resources for feeder road construction and maintenance, project funds will be available. The project will test methods for generating village investments in soil and water conservation. It is anticipated that a fund to promote village and group enterprises will be established.
5. Small Farmer Involvement in Decisionmaking	A two-way information flow will be initiated between the villages and the central government.	The process involves participation, on a continuing basis, of village leaders and residents in defining and finding solutions to their own problems.
6. Small Farmer Resource Commitment	Nothing.	Through the process of involvement, villagers will be encouraged to make a greater resource commitment -- both labor and cash -- to the development of their villages and thus develop greater self-reliance over time. Farm centers will be established only when villages are prepared to make a resource commitment to their construction.
7. Increased Planning and Economic Capacity of Local Organizations	Nothing.	One of the four project components is to strengthen the planning, implementation and evaluation capabilities at the regional, district and village levels. The process will help the formal planning and decision-making structures (Village Councils, village committees) become effective functioning organizations.

	<u>First Paper</u> PID	<u>Second Paper</u> PP
8. Information Systems	The center staffs will monitor a two-way flow of ideas and information from villages to Tanzanian Government agencies and back.	An information system will be implemented to meet decisionmaking needs from the farmer to the regional level. The information system must be low-cost, easily manageable, and transferable without intensive technical assistance and training. The continued systematic collection of farm-level data will provide the basis for helping to measure the impact of project activities and for modifying the Arusha Regional Plan. Project inputs and resource utilization will be monitored and analyzed. The project's impact on the socioeconomic well-being of families in the project area will be measured.
9. Specification of Need and Mechanism to Make Project Benefits Self-Sustaining	The development of the village production base revolves around the need to develop those crops/enterprises for which the villages have the greatest comparative advantage.	High priority is placed by the Tanzanian government on involving villages and encouraging their commitment of resources to the developing process. The government intends through this project to develop the processes and mechanisms necessary to ensure that the benefits of development are self-sustaining. Emphasis of project is on production activities.
10. Organizational Plans for Implementation	The center will be located directly under the central government. In addition, limited assistance will be provided to the parent region to provide an ability to affect critical constraints in infrastructure external to the village.	The implementing agencies will be the District governments under the supervision of the District Development Director and with the involvement of each District's technical offices and their field staffs. At the local level the Village Councils will have planning and implementation responsibilities.

PROJECT DESIGN/APPROVAL CHRONOLOGY

11/17/76 Cable AID/Washington to USAID/Dar es Salaam.

In order to be included in the FY 1978 Congressional presentation a PID for the Village Development Project had to be submitted by early December. Its preparation was to include:

- Project was to last about seven years;
- Design was to rely heavily on the Hutchinson report, Mission knowledge of the Kigoma project, and a regional development plan of the area and comments from DAI.
- Project was to be site-specific, perhaps Morogoro;
- Technical assistance for the PID design was to consist of an economist/programmer, agronomist and engineer, with provisions for a large number of consultants; and
- Capital assistance of \$10 to 15 million in grant form was recommended.

Throughout the design process, discussions were to be held with regional, district and village officials. Their "screened ideas" were to be the basis for project design, including a resource inventory of sample villages, a social soundness analysis, and a statement of women's participation. Capital assistance was to be managed and disbursed by an independent local institution.

11/30/76 PID submitted.

The purpose of the Village Development Project was to develop methods by which villages would increase their net income and improve their quality of life. Within the two regions of Arusha and Morogoro, villages were to be selected for experimental income-generating activities. Research extension centers were to be developed to provide adaptive agronomic research trials, training and staff facilities and infrastructural works were to be improved. The latter could include rural roads and other communication systems, water resources and appropriate technology.

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The project was to be implemented through regional governments, and divided into three phases. Phase I (nine months) involved the preparation and submission of the Project Paper. Phase II (14 months) focused on preproject implementation efforts. Resource inventories were to be completed, centers established, baseline data gathered and staff for the centers recruited. Phase III (five years) was the full-scale project operation.

The anticipated costs were:

- \$75,000 to cover preproject design, FY 1977;
- \$300,000 capital grant for initial infrastructure, FY 1978; and
- \$500,000 for technical assistance, FY 1978.

12/3/76 Memo USAID/Dar to AFR/ESA.

The Village Development Project was to be one of the most difficult undertaken by the Mission. Therefore they wanted to emphasize the importance of project design and preparation. They recommended signing a contract with DAI or some other IQC firm to prepare the PRP. The design team was to include: an agricultural economist, an agricultural extension specialist, an agricultural administrator, an experienced project designer, and one Mission person as coordinator.

They anticipated submitting the PRP by May 15, 1977.

12/7/76 Cable USAID/Dar to AID/Washington.

The Mission planned to write the PRP in March/April 1977 and proposed to have the background data collected before that. This information could be used as the base information by the design team. They requested \$75,000 for predesign costs, of which AID/Washington would supply one-third.

12/21/76 Cable AID/Washington to USAID/Dar.

The PID was to be reviewed in early January.

1/11/77 Memo AFR/ESA, Issue Paper PID review.

It was anticipated that the PID would represent a major new sector of activity involving extensive

funding and covering a long period of time. Because of the "very great prospective scope of this project plus its logical follow-up activities," the project was given high priority.

1/25/77 Cable USAID/Dar to AID/Washington.

Concerned that AID/Washington might have misunderstood the focus of the PID, the Mission reiterated its purpose: to experiment with ways of assisting village people to solve their problems. The centers that were to be established were only a tool to assist in this process, rather than the purpose of the project.

1/26/77 PID Committee review.

3/9/77 Cable AID/Washington to USAID/Dar, PID approved.

The PID was approved and the project was expected to be central to the country program. It was important to agree on a strategy and design to allow for expanded assistance to Tanzania in the future.

The Mission was to consider Phase I of the project as an action phase based on a pilot model, as distinguished from the suggested lengthy inventory of resources. The administering institution was to be left open at this time. Arusha was not an appropriate region for the project as it was atypical.

3/15/77 Cable USAID/Dar to AID/Washington.

The Mission was still concerned that the PID was authorized on erroneous assumptions regarding the nature of the agricultural problems in Tanzania. While the Hutchinson report served as a general guide to the project design, it had several theoretical implications that conflict with reality in Tanzania. The project could not be made successful by conforming to the outlines of the Hutchinson report alone; it also had to reflect the current village surveys, discussions and other findings. They requested permission to complete the short-term village resource survey in progress and to continue discussions with Tanzanian officials.

The first task was to ascertain if a village development project was feasible for USAID under Tanzanian conditions. The details of the program were then to be written into the PRP.

3/22/77 Cable USAID/Dar to AID/Washington.

The Mission held discussions with regional officials from Morogoro and Arusha and the Commissioner for Rural Development in the Prime Minister's Office. The Tanzanians were still very interested in the project, but maintained that Arusha was an appropriate region. In conformity with the Congressional mandate and their own policies, only the poorest villages were to be included in the project. Mission and Tanzanian officials are preparing to further define the project areas and to collect initial background data.

They requested that AID/Washington negotiate a contract with DAI or ATAC to assist in designing the PRP.

The PRP design team was to accomplish these tasks:

- Analyze the roles of the national, regional and district governments in rural development and the relationship of the village to the district, regional and national economic and political structure;
- Identify the geographical areas for project activities, developing criteria for village selection including economic, sociopolitical and other developmental aspects. The two regional background papers should serve as a guide;
- Expand the profile for selected areas giving details of the physical environment, productive activities, and level of development;
- Prepare an infrastructure development plan for areas selected;
- Outline the activities of private, public and voluntary agencies in the area and their probable effect on the project;
- Recommend an appropriate organizational/institutional arrangement for implementing the project; and
- Define the data to be used for an evaluation system.

The Tanzanian government recommended a three-phased design. Phase I was to include PP preparation and the initial infrastructure work and programs. Phase II would expand the number of villages involved in the initial phase and begin the construction of the center. Phase III would include all project activities.

Because of this projected phasing of activities, the Mission intended to explore the possibility of utilizing accelerated impact program funds for pilot activities.

The estimated PRP preparation costs were \$60 to 100,000 hopefully to be funded, at Mission request, by AID/Washington. Time anticipated to prepare the study was two months.

4/3/77

Cable AID/Washington to USAID/Dar.

Washington discussed the village agricultural development project with DAI. Together they recommended these changes.

The PRP design team was to be composed of two teams of two to three persons, broken down as follows:

- One sociologist;
- One DAI consultant; and
- One AID, direct-hire.

During the first phase (three weeks) the teams were to collect data and hold discussions with local officials; during the second phase discussions were to be held with national officials and a PRP and mini-PP prepared. DAI would coordinate the preparation. They recommended that an integrated approach to project development be used in lieu of a functional breakdown of responsibilities.

4/8/77

Cable AID/Washington to USAID/Dar.

It appeared that the Mission would have to supply a coordinator for the PRP preparation, as DAI staff selected for the work were unavailable.

5/3/77

Cable USAID/Dar to AID/Washington.

A meeting was held between the Mission and the Principal Secretary in the Prime Minister's Office to discuss Tanzanian development priorities. The Tanzanians wanted to follow a plan prepared by McKinsey Co., suggesting that each region prepare a development plan. Recommending that the village development project be approached through the regional planning scheme, they requested that the Mission prepare a regional development plan for Arusha Region (one of four regions without plans) and then implement the village development project in that region only. Their rationale for coordinating the two efforts was: (1) that a regional plan needed to be written; (2) the Mission was familiar with and had projects in the area; and (3) effective working relationships had already been established there.

In view of these changes, the Mission recommended that the suggested DAI team work with two in-country specialists to design the PRP. The two-team approach was still valid since two districts in Arusha were contemplated for the project. The regional plan could serve as a basis to connect village projects with the required regional infrastructure services, and could probably be written by three to five additional consultants while the Village PP was being designed.

In short, the host government was firm in its desire for regional development and the Mission was convinced that the changes neither invalidated the village development PID, nor contradicted the basic recommendations of the Hutchinson report.

5/30-
7/2/77

PRP/PP design (First DAI trip).

The design team was instructed originally to produce a PRP and mini-PP; however, halfway through the exercise, instructions were received from Washington that the PRP had been eliminated as an Agency document. Thus, they proceeded directly to write a PP.

There was considerable preparation for this design exercise. Two detailed papers providing background information had been written by social scientists residing in the area.

In addition, the Mission Project Design Officer had briefed the Mission on the general concept of the project and had discussed it with the relevant Tanzanian officials. The design team's

job was to refine the general concept into a more precise document. This was done through formal meetings with the district up to the regional development committees, and through discussions with officials on each level. Tanzanian officials and the design team had substantially similar development philosophies, so no major conflicts surfaced. Similarly, there were no conflicts at the Mission concerning the project. While the Mission did have the normal division between those who favored the traditional agricultural design and those who preferred a more experimental, social-science approach, these issues never surfaced during the design process; they were handled internally by the design officer. The team made only two formal presentations: one to the entire Mission and one to the Ambassador, who in this country played an active role in AID policy.

7/7/77 Cable USAID/Dar to AID/Washington.

The PP was to be hand-delivered to AID/Washington in time for review in late August. To expedite the approval process, Mission officials intended to participate in the review. They anticipated advertising for bids to implement the project in September or October and signing a contract in January 1978.

7/77 PP 1 submitted.

8/17/77 Cable AID/Washington to USAID/Dar.

This was the first of a series of messages to inform the Mission on the status of the project.

After the PP was circulated to several people for comments prior to the committee review meeting, several questions came up regarding procurement of various items necessary for the project. The firm contracting for the technical assistance could not serve as the purchasing agent because the items were needed prior to the technical assistance contract.

Further meetings had been scheduled with the desk officer and the technical staff of development resources to discuss other concerns. The Mission was asked to prepare responses to issues presented.

8/27/77 Cable AID/Washington to USAID/Dar.

This second message on the status of the project reported on the meeting with the desk and human resource officers. Several issues emerged:

- The identification of qualified technicians was extremely important;
- Indicators of goal achievement were to be quantified if possible;
- Selection of suitable indicators of goals might be added to the scope-of-work for the implementing contractor;
- Benefits other than the proportionally large infrastructure component were to be stressed during the review.
- There was no cost/benefit analysis per se, so the question of project alternatives might arise; and
- Adequate planning to satisfy 611(a)(1) was going to be a problem.

AFR/DR had suggested that a working group responsible for the review, and possibly for implementation backstop, be established.

9/9/77 Cable AID/Washington to USAID/Dar.

This was the third message on the project status. A working group had met on 9/7/77 to define AID/Washington's role in providing guidance in refining the PP, and to provide backstop on an experimental basis. The group consisted of representatives of all DR Technical divisions, the desk and General Counsel.

It appeared that the requirements for 611(a)(1) and Regulation 16 (environmental assessment) would not be met. One method of getting around this was to fund the project incrementally when specific activities were identified and the technical and financial analysis completed. If incremental funding were acceptable, then an IEE (Initial Environmental Evaluation) for Phase I could be done. It would result in a negative determination, since that Phase was a planning activity. During this Phase an environmental assessment would be made for Phase II activities. Subsequently an IEE would be done for each work plan.

Aside from environmental and legal modifications, other issues raised were minor. It was recommended that health and nutrition data be collected, that water-related issues be addressed, and that the number of American technical advisors be reduced, if possible.

The agricultural representative of AFR/DR suggested that the personnel requirements should more accurately reflect the project needs as he saw them, i.e., stronger agricultural training.

9/13/77 Cable USAID/Dar to AID/Washington.

The Mission wondered if it was possible to implement the Congressional mandates with such rigid interpretations given to 611(a)(1) and Regulation 16. The project design officer and deputy director were to attend the review meeting.

The Mission interpreted incremental funding to require an annual project review and approval procedure or, put another way, endless delays. This was unacceptable, as was the requirement for an IEE for each subproject.

Concerning 611(a)(1), the Mission recommended applying "the specific/general rule," which states that 611(a)(1) applies to projects exceeding \$1,000,000. Although no figures were given, it was unlikely that any project component would exceed this sum. A precedent for this interpretation was the Kenyan water project being carried out by Catholic Relief Service (CRS) and CARE.

Alternatively, an annex to the project agreement giving the criteria for selection of subprojects could be included. The precedents for this were a Kenyan road project and an Ethiopian rural development project.

Concerning Regulation 16, they understood that IEEs were to be done in the field for each project component.

Regarding personnel requirements, the Mission expressed the concern that agricultural skills were "of prime importance" for this project.

9/20/77 PP Committee review.

The meeting was chaired by the responsible DR person and attended by representatives of DAI, the Mission, the Arusha Regional Development Director and the normal Agency representation at committee review meetings.

A general overview of the Tanzanian governmental system was presented by the Arusha development director. This was followed by a detailed description of the projects presented by the Mission and DAI.

The general discussion that followed raised no substantive issues that required major changes. As predicted, however, the PP did not meet the criteria of 611(a)(1) or Regulation 16. For this reason approval was deferred to the ECPR.

9/28/77 ECPR meeting.

The project was approved conditionally.

The Village Development Project and the Arusha Regional Plan were to be thoroughly integrated into one project called the Arusha Planning/Village Development Project.

Guidelines were to be developed and sent to Tanzania to assess subprojects. They would be used by a REDSO engineer to assess individual subprojects. These guidelines were intended to help the Government of Tanzania design and implement the subprojects. As such, they satisfied the requirements of 611(a)(1).

Regarding Regulation 16, an IEE was done for the entire project; it received a negative determination. Because some of the subprojects might have an environmental effect, separate IEEs would be done for each of the subprojects by the Mission.

The requirements for the technical assistance staff were modified to reflect more agricultural experience.

10/7/77 PP 2 submitted.

1/78 Interpretation of 611(a)(1) continued to delay project approval.

UPPER VOLTA ONCHO PROJECT

SUMMARY

Description

The project will build the organizational and financial capabilities of villages recently settled in areas freed of onchocerciasis, through the identification and development of local, income-generating enterprises.

Total AID Funding

PP \$2,173,000 grant

Duration

Four years

Design/Approval Process

	<u>Document Submitted</u>	<u>DAI Involvement</u>	<u>Time Elapsed</u>	<u>Document Approved</u>
PID	1975	-	-	10/17/75
PRP	11/20/75	✓	1 month	12/17/75
PP	6/28/76	✓	15 months	9/7/77

Total Design/Approval Time

PID to PP Approval 2 years

Status October 1977

The PP was approved; final authorization awaits Congressional approval of the new Foreign Assistance Appropriation.

UPPER VOLTA ONCHO PROJECT

CONTENT SUMMARY

	<u>First Paper</u> PRP	<u>Second Paper</u> PP
1. Goal/Purpose	<p>The project goal is to improve the social and economic well-being of people in resettlement villages located in areas of Upper Volta recently freed of onchocerciasis.</p> <p>The purpose is twofold: to increase the income of 4,650 families in 133 resettlement villages, and to strengthen village-level organizations and associations.</p>	<p>The project goal is to improve the social and economic well-being of people in resettlement villages of the Volta Valley Authority (AVV).</p> <p>The project purpose is to develop the capacity of 133 AVV villages to organize, manage and invest in social and economic development projects by January 1981.</p>
2. Implementing Techniques	<p>The project purpose will be accomplished by creating 200 self-sustaining village-level enterprises, training AVV extension workers and their counterparts and developing an information system to monitor and evaluate the effects of village enterprises in village life.</p>	<p>To accomplish the project purpose, 200 self-sustaining income-generating enterprises will be established; organizational and technical (computer programming, planning, staffing, intermediate technology, cooperative development and management, enterprise techniques and basic accounting) training will be provided for AVV staff, extension workers and villagers.</p>
3. Funding Level AID Contribution	\$2,068,000 grant	\$2,173,000 grant
4. Time for Planning/ Flexibility	<p>The efficacy of alternative enterprises in helping to improve incomes of villages has not been rigorously tested. This project will make such tests. The Village Development Fund, replenished annually for three years, will be used for investment in locally initiated, income-generating enterprises to be carried out by village groups.</p>	<p>The starting point for the development of village enterprises is a dialogue between the AVV central and field staff members and families in the resettlement villages. Decisions as to the type of enterprise undertaken by the fund and ownership arrangements will rest with the villages requesting the grant funds. The key con-</p> <p>(Continued)</p>

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	<u>First Paper</u> PRP	<u>Second Paper</u> PP
4. (Continued)		(Continued) cept is that a Development Fund should be created within the AVV, from which grants would be given to village organizations, which in turn would make loans to individual village sub-groups.
5. Small Farmer Involvement in Decisionmaking	Village involvement in decisionmaking and its commitment of labor/cash/material resources are essential for the successful initiation and implementation of these enterprises.	Villagers will be given the principal responsibility for decisionmaking with regard to the enterprises. The Village Council must be involved in decisionmaking regarding the types of enterprises to be developed and the organizational arrangements for carrying out these enterprises.
6. Small Farmer Resource Commitment	Village involvement in decisionmaking and its commitment of labor/cash/material resources are essential for the successful initiation and implementation of these enterprises. It is not known if people in the village will make a resource commitment to enterprises that may require a year or more before benefits are apparent.	A village supported by grants from the Village Development Fund must make a resource contribution (labor, cash, or contributions in kind) equivalent to 25 percent of the total investment in each enterprise.
7. Increased Planning and Economic Capacity of Local Organizations	One aim of the project is to develop the problem solving capabilities of people in the resettlement villages. This will be accomplished by encouraging group formation, the creation of leadership positions, and the development of technical and management capabilities at the village level.	Providing financial support, combined with technical and managerial training, will result in an increased capacity of the AVV resettlement villages to solve their own problems. At the heart of the concept of total development is the need to create among villagers the capacity to work together to promote village interests and to solve village problems with a constantly (Continued)

	<u>First Paper</u> PRP	<u>Second Paper</u> PP
7. (Continued)		(Continued) decreasing dependence on outside assistance. The project will include technical training in the operation of village-level technology, training in village organization and leadership skills, and training in management skills, including basic accounting.
8. Information Systems	An ongoing information system will be developed to monitor and evaluate the effects on village life of different types of enterprises.	An ongoing information system would be established to monitor and evaluate the effects on village life of different types of enterprises. The system should perform the following functions: monitoring, evaluating, diagnosing.
9. Specification of Need and Mechanism to Make Project Benefits Self-Sustaining	The enterprises supported by the fund should have a reasonable chance of becoming financially viable within a year to 18 months.	A primary indicator of project success will be that at least 20 percent of all enterprises return their initial investment within two years after they start up. Another indicator will be that at least 75 percent of the enterprises continue to be profitable for one year after the full return of the initial investment.
10. Organizational Plans for Implementation	The Grantee/Administering Agency for the project in the AVV, a financially autonomous agency within the Ministry of Plan, Rural Development, Environment and Tourism charged with developing the oncho-free zones of Upper Volta.	The project will be carried out by AVV. Grants will be given to the Village Council, which may own and manage the enterprises, support an enterprise to be owned and managed by a number of individual resettlement families. The Village Development Fund will be channeled through a special account managed by AVV's Director of Financial Management and an experienced expatriate who has managed AID funds in other countries.

PROJECT DESIGN/APPROVAL CHRONOLOGY

1975 PID submitted.

10/17/75 Cable AID/Washington to USAID/Ouagadougou, PID approved.

The project committee had met to discuss PID design and concluded it deserved a high priority and should begin FY 1977. Discussions had to be carried on with AVV (Volta Valley Authority) to assess basic planning then in progress, contributions of other donors, and geographic focus for the project. Because of AVV's imprecise statement of potential AID contribution, the initial phase of the project had to consist of baseline data collection, planning studies, and possibly some pilot implementation activities.

Washington suggested that a scope of work for a PRP design team be prepared by REDSO/WA; that the Upper Volta desk officer serve as the design officer and take the lead in drafting the PRP. AID/Washington would try to get DAI to provide the rural development specialist on the team.

10/29-
11/21/75 First DAI trip, PRP designed.

The design team was chosen by AID/Washington in cooperation with the Mission.

The team was instructed by the Mission Director to develop a project with AVV for resettlement in a previously infected region, taking into particular account the psychological problems of resettlement and the safety of the area. The team began by reviewing background information and found that the French had established a good socioeconomic data base of the area, which was used in the design. This was followed by a brief (one week) survey of the villages intended for inclusion in the project. During the survey, the team met with local farmers and AVV authorities to determine their priorities. It was concluded that the project should be based on generating income-producing activities in the villages, since crop production was well funded and organized, and on establishing local organizations to assist in these operations. Upon returning to Ouagadougou, the team prepared a project outline based on the field discussions; it was approved by the Mission and the AVV director.

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The project was written in Ouagadougou in the midst of ongoing dialogues with host government officials and the Mission. At this time it was clear that the Mission Director would have preferred a larger project with "up-front" funds, but he acquiesced to the design.

The host government, on the other hand, had a development philosophy similar to that of the design team, and was primarily concerned about the scarcity of human resources for the project.

11/20/75 PRP submitted.

12/1/75 Memo DAI to TA/DA.

The project started with one idea having a reasonable chance of success, with the aim of developing an integrated area project. As such, it represented an opportunity to test the philosophy of the *Strategies* report in a francophone country.

12/17/75 ECPR meeting, PRP approved.

The Upper Volta desk officer organized the PRP committee review meeting, which was attended by DAI. General attendance was small and knowledge of the project was limited. The main concerns that surfaced were:

- The availability of the technology for village enterprises,
- The trade-off between loan or grant funding for the enterprises,
- The problems of mixing tribal groups in the resettled villages, and
- The effectiveness of the onchocerciasis elimination program.

Only the Director of the Office of Development Planning expressed skepticism about the actual project design.

1/1/76 Cable AID/Washington to USAID/Ouagadougou.

The PRP was approved in spite of reservations about the village enterprises. The project committee had recommended they be established communally, rather than privately; the committee wanted the options to be thoroughly examined.

The PP design team was advised to consider these points:

- The project had to be a pilot project that would test both village ownership and individually owned activities;
- The deployment of funds generated by village enterprises had to be examined to consider whether all funds should be used for social interventions in villages or some reverted to a revolving fund at AVV. The criteria for subactivities had to be developed in detail;
- Cooperation with other organizations had to be investigated;
- The availability of technology had to be examined, as well as the ability of extension agents to manage at the local level; and
- An information system had to be included in the design.

3/22-
4/24/76

Second DAI trip, PP designed.

The Mission requested that two teams be sent out for four weeks each to design the oncho and women's projects, specifying qualifications and two individuals from DAI: a rural development specialist and a women in development specialist. AID/Washington recommended that a DAI team be sent to design both projects simultaneously. When the Mission learned of the composition of the DAI team, they requested a new team, since some of the specialists they wanted had not been included. This cable was never answered.

The DAI team was joined by an AID intern, an economist from REDSO/WA, and a Mission Program Officer.

The Mission was initially dissatisfied with the timing, because they wanted the projects designed sequentially.

The design strategy adopted by the team leader was to concentrate on the women's project, because it was weaker, picking up data for the oncho project as needed. The team immediately undertook a local survey for about three weeks to investigate the spraying program, technologies, training and the AVV structure. They found that the spraying program remained on schedule (that is, spraying would coincide with project initiation), which continued to satisfy the health criteria

then accepted for the project. The issues involving AVV were less clear. AVV insisted that the project funds be channeled directly to them. The team concurred, although they expressed concern about that organization's ability to manage the funds. AVV also insisted that the interest rate for the loan be low because of the credit burden on the farmers, who were repaying the resettlement costs. The team recommended an interest rate of 18 to 20 percent, and ultimately compromised with AVV on 12 percent. Finally, it was agreed that the expatriate project advisor be made responsible directly to AVV, not the Mission.

When the PP finally was written, the team felt that it had produced a document that answered all AID/Washington's concerns and that it would be approved readily. They anticipated no legal, health, procedural or substantive complaints. In fact, they had taken precautions to assure conformity with AID/Washington requirements, such as having the section on the village development fund reviewed by the economist from REDSO/WA.

6/28/76 PP submitted.
7/22/76 PP Committee review.

The oncho and women's projects were hand-carried to Washington by a Mission Officer to expedite the approval process. The committee for the oncho project was chaired by a new Development Resource Officer. Although the project was approved, several issues of concern were raised, such as the problem of resettling peoples from different tribal groups in one village (Government of Upper Volta priority); the resettlement cost per family; and the capacity of AVV to implement the project. Shortly after the project was approved, it was discovered that General Counsel had not been invited to the review. Instead of holding another committee meeting, General Counsel was asked to review the project privately and submit his findings. He concluded that the development fund did not meet the criteria of Section 611(a)(1) of the Foreign Assistance Act; the approval was rescinded, and another committee meeting was scheduled to discuss outstanding issues later in the year.

10/4/76 Memo TA/H/EH to AFR/DR.

All available reports concerning the suitability of committing funds for the economic development of areas in Upper Volta then presumed to be free of onchocerciasis suggested that it was impossible to tell whether or not the area was free of onchocerciasis and therefore suitable for development.

10/23/76 Cable AID/Washington to USAID/Ouagadougou, PP review, second PP Committee review.

General Counsel submitted comments on the project and the committee recommended that approval be deferred until the following issues could be resolved:

- Planning for the village enterprises had to be complete for each component, identifying what was to be done, when, where, and at what cost. As written, it did not meet the requirements of Section 611(a)(1);
- An agreement concerning AID contribution to the AVV special village development fund had to be written, covering a management plan, an accounting system, interest rates, and feasibility studies for disbursement of funds, and establishing AID's right to review and approve all in-country contracts supported from the fund;
- Once AVV granted funds to a village, it had to be clarified whether they planned to make loans or grants to the enterprises. AID/Washington preferred that funds be granted to enterprises; and
- The project had to assure that funded activities would benefit and include participation of women.

10/30/76 Cable USAID/Ouagadougou to AID/Washington.

According to the Mission, the project satisfied the criteria of Section 611(a)(1) in two ways:

- For institution building, by using the fund as a mechanism to strengthen AVV; and
- For the sector approach, by strengthening the village's ability to promote agricultural production.

Regarding the specific requirements for the fund (management system, etc.), they would be included in the project agreement. Such arrangements had already been

written into the PP, but they could not be undertaken until specific subprojects were proposed. There was no indication of who had the authority to obligate the funds.

The project proposed that grants from AVV to the villages be given out as loans to individual enterprises. In review, the Mission decided to include some non-revenue-producing activities on a grant basis if the enterprise were not profitable enough to recover its capital investment costs. The Mission felt that loans were preferable at moderate interest rates (five to eight percent). Loan repayments were to be placed in a revolving fund, which could be used to finance new village enterprises. Individual entrepreneurs would not be required to reinvest net earnings.

11/17/76 Cable AID/Washington to USAID/Ouagadougou.

A third project review was held, taking into consideration the Mission's cable of October 30. The project had been disapproved again. It still did not fulfill the criteria for either sector or institution building projects, which permit fund obligation without planning of subprojects. To meet these criteria, specific uses of the fund had to be identified and planned in either of two ways:

- If the project purpose was to institutionalize credit, details about the institution had to be provided, such as a description of the revolving fund, review and approval process for credit applications, default rate, administration costs, credit terms, and demand; and
- If the purpose was not to institutionalize credit, specific uses of the fund had to be identified and planned by either obligating the funds after project approval or modifying the PP to specify the requirements for each of the enterprises.

Approval was given to the Mission plan to include in the Project Agreement, as Conditions Precedent for the disbursement of the Village Development Fund, "the development of a mutually agreeable accounting system; management plan; interest rates and other conditions for granting of funds from the AVV to the village councils."

11/22/76 Cable AID/Washington to USAID/Ouagadougou.

The Onchocerciasis Control Program had been reviewed by TA/H. Doubts about the suitability of any area

for development efforts had arisen, since the WHO reports and other documents did not certify that the defined areas were free of onchocerciasis transmission. The decision to implement the project was deferred until January to allow the technicians to review more data.

2/18/77 AID/Washington fourth Committee review.

They recommended approval of the PP on the condition that the health hazards of resettlement be investigated, and that it be clear there was no onchocerciasis risk in the project area.

Section 611(a)(1) was satisfied by adding a second project purpose (institutionalizing the credit facilities) and by including the management systems for the credit facilities in the loan agreement as Conditions Precedent to the disbursement of AID monies into the development fund.

2/24/77 Issues Paper for ECPR meeting on PP.

The only issue requiring an ECPR-level decision was the potential health hazard that had been identified by the project review committee.

2/25/77 Memo TA/H/EH to AFR/DR.

It was not reasonably possible to assess the level of onchocerciasis risk that might attend resettlement in the project area.

2/28/77 ECPR meeting on PP.

3/10/77 Cable USAID/Ouagadougou to AID/Washington.

The Mission discussed with the AVV Director of Finance and the REDSO/WA Design Officer several financial questions that were ambiguous in the PP. They concluded that the host country would contribute 25 percent to the overall project, and the village development fund would be established after the project manager was hired. During the first two months technical assistance would be provided to design the accounting systems for use at the village level. The project was considered ready for an ECPR review and approval.

3/16/77 Cable AID/Washington to USAID/Ouagadougou.

Because of the concern about the potential health risks, the project had been conditionally approved subject to the resolution of this question.

"Conditional approval means that while the Africa Bureau has completed its review of and approves the subject PP, it will not authorize or fund the project" until the environmental issues are resolved.

The Mission was asked to provide a status report on local Oncho Control Programs.

4/23/77 Cable AID/Washington to USAID/Ouagadougou.

Representatives of AFR/DR and TA/H had met on April 14 to discuss the potential health hazards of this project. They recommended that the Oncho Control Program establish criteria for resettlement. A possible second environmental hazard was identified: trypanosomiasis. This health issue had to be investigated by the Mission.

5/25/77 Cable USAID/Ouagadougou to AID/Washington.

This cable summarized the investigation of oncho eradication and trypanosomiasis.

The Mission had discussed the Oncho Control Program in the Black, White and Red Volta River Valleys with AVV and the WHO Oncho Control Unit. Both bodies recommended that resettlement activities proceed. The WHO Oncho Control Program had begun spraying in the Black Volta River Valley in February 1975, in the Red and White Valleys in June 1976. The entomological evaluation carried out by WHO staff demonstrated that the fly population had been virtually wiped out in the majority of the area under the control program. Spraying had been discontinued in the Upper Black Volta River Valley and there had been no evidence of fly reinfestation in Upper Volta. The criteria to determine when an area is free of onchocerciasis were based primarily on entomological data (fly counts), not on epidemiological data (disease transmission), because the latter would take several years to verify. Without the fly there could be no transmission.

Considering the trypanosomiasis threat, the human variety was not considered a major health problem. As WHO authorities pointed out, "Upper Volta, in the Volta Valleys as elsewhere has, unfortunately, many prevalent diseases. These include malaria, schistosomiasis, malnutrition, etc." The cable concluded that "no matter how disease ridden, it is the only country the Voltaics have and they must live here. To deny assistance because of the chance of an increase in a disease currently not considered a major problem, is to deny the Voltaics the chance to live a better life in their own country."

8/10/77 Cable USAID/Ouagadougou to AID/Washington.

The Mission Director had discussed the oncho eradication program with AVV director and Oncho Control Program (OCP) staff. They recommended that:

- the project be approved for immediate implementation,
- the OCP certify that an area was free of onchocerciasis before AVV funds were committed, and
- the OCP provide written confirmation that a zone met the criteria for certification.

An OCP entomologist stated that most of the Black, Red and White Volta River Valleys would have met the criteria by the time the project began. Other donor agencies were going ahead with assistance to AVV. If the project were authorized within the following ten days, the Mission would push for an August obligation of \$500,000 to begin immediately.

8/25/77 Cable USAID/Ouagadougou to AID/Washington.

The Mission appreciated AID/Washington's efforts to obtain a quick approval after such long delays. Approval was anticipated in September.

9/7/77 Draft Authorization Package, PP approved.

The Action Memo for the Assistant Administrator for Africa restated the project purpose. It now read: "The proposed project is designed to support the efforts of the Volta Valley Authority by (a) developing the capacity of resettlement villages to organize, manage and invest in social and economic development projects, and (b) institutionalizing the credit facilities necessary to make such village undertakings possible."

The draft loan agreement listed the following Conditions Precedent for the disbursement of funds to the Village Development Fund:

- Proof that the managerial, accounting and project analysis capabilities of AVV were adequate;
- The development of a simple accounting system for the village-level enterprises; and

- A schedule of the criteria used to select, evaluate and approve projects to be funded by the Village Development Fund.

10/12/77 Telephone Interview DAI with AFR/DR.

The project had been approved and the Project Agreement was being written. Since there were no FY 1977 funds available, it was anticipated that funding would begin in the first quarter of FY 1978.

UPPER VOLTA WOMEN'S PROJECT

SUMMARY

Description

The project is designed to improve the quality of life in Upper Volta villages by developing the capabilities of rural women to plan and implement economic production activities.

Total AID Funding

PP \$1,056,000 grant

Duration

Three years

Design/Approval Process

	<u>Document Submitted</u>	<u>DAI Involvement</u>	<u>Time Elapsed</u>	<u>Document Approved</u>
PID	5/75	-	1 month	6/75
PRP	12/12/75	-	2 months	2/19/76
PP 1	6/28/76	-	-	Rejected
PP 2	1/77	✓	2 months	3/11/77
Grant Ag Signed				9/30/77

Total Design/Approval Time

PID to Grant Agreement 2 years, 4 months

Status October 1977

When the project was approved, the Mission hired an advisor to begin background preparation for the project implementation. Now that the grant has been signed, full implementation should begin shortly.

UPPER VOLTA WOMEN'S PROJECT

CONTENT SUMMARY

	<u>First Paper</u> PRP	<u>Second Paper</u> PP
1. Goal/Purpose	<p>The goal is to improve the quality of life for 8,400 rural villagers through the increased participation of women in national economic development.</p> <p>The purpose is twofold: to increase the income and available time for women in the 80 pilot villages to pursue non-subsistence activities; and to strengthen the Domestic Economy Unit female extension service in its ability to support village level extension agents.</p>	<p>The project goal is to improve the social and economic well-being of people in rural (project) villages throughout Upper Volta.</p> <p>The purpose is to improve rural women's capacities, individually or collectively, to organize, manage, invest in and carry out social and economic development activities in 60 villages having extension agents by January 1980.</p>
2. Implementing Techniques	<p>The project purpose will be accomplished by upgrading regional and local female extension agents, generating village-level activities, and developing an information system on women's roles in decisionmaking and participation in family and village activities.</p>	<p>To accomplish the project purpose, viable micro-projects will be established in the 60 chosen villages; female Domestic Economy Agents, extension workers, and Regional Development Organization (ORD) officials will receive training in administrative and technical skills; and a research and information system will be operating.</p>
3. Funding Level AID Contribution	\$998,000 grant	\$1,056,000 grant
4. Time for Planning/ Flexibility	<p>The Project Paper design team will conduct a survey. From this and from discussions, specific activities for the women's groups will be identified and training needs for the agents to execute them established. It is anticipated that during the first year of</p> <p>(Continued)</p>	<p>The first tranche of 25 micro-projects will be identified and approved by March 15, 1977. The target date for all of these to become fully operational is December 15, 1977. The micro-project feasibility studies will provide the basis for</p> <p>(Continued)</p>

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	<u>First Paper</u> PRP	<u>Second Paper</u> PP
4. (Continued)	(Continued) the project, no more than 20 villages will have operational micro-projects. After the training, agents will return to their villages to initiate the micro-projects, financed in part by the fund on an experimental basis.	(Continued) project components. Many constraints will not be uncovered during these feasibility studies. Modifications in the design and support requirements may be needed to overcome these constraints. The project is designed to be flexible, to allow adaptive field-testing of ways to increase the social and economic well-being of rural households through a focus on women.
5. Small Farmer Involvement in Decisionmaking	The project requires the <u>active participation</u> of the population. Many of the ideas and suggestions will stem from the villagers themselves. Villagers will learn to identify their own problems and to propose solutions to them.	While both men and women will be involved in the identification and decisionmaking process regarding micro-projects to be undertaken, women will be directly involved in their execution and will directly receive the major portion of benefits. It should be emphasized that the process of identifying micro-projects should be one of continuous interaction between the extension agents and the villagers.
6. Small Farmer Resource Commitment	Nothing.	Initial cash resource commitment is required, but may vary according to the type of activity. Villagers will also be given a basic understanding of the credit program, and the requirement for a strong resource commitment on their part. For the project to succeed, commitments must be forthcoming from both men and women.

	<u>First Paper</u> PRP	<u>Second Paper</u> PP
7. Increased Planning and Economic Capacity of Local Organizations	The project will result in an increased ability of personnel at all levels in the design and implementation of small projects, identification of specific training needs for village agents, and identification of significant factors affecting women's participation in community development.	The micro-projects should result in increasing the organizational and problem-solving skills of villagers, so that they can become more self-sufficient in development efforts. The village-level micro-projects are intended to increase the organizational, managerial capacity and problem-solving capabilities of rural women. Activities will be organized and implemented so that the villagers can engage in future undertakings with a minimum of extension assistance.
8. Information Systems	The village agents will monitor and report on projects to the regional and national levels, where the information will be used to identify new areas of intervention, spin-off studies that could lead to new projects, and other training needs for village agents.	The project will design and implement an ongoing information system to monitor micro-projects and their effects on the participating villages with regard to improved family income, health and nutrition, problem-solving ability and equity. The project contains a major component for ongoing monitoring and evaluation. A second major output of this project will be a low-cost, easily managed information system to assist extension agents, ORD officials and the Domestic Economy Unit at national levels in their decisionmaking regarding the development of the different micro-projects.

	<u>First Paper</u> PRP	<u>Second Paper</u> PP
9. Specification of Need and Mechanism to Make Project Benefits Self-Sustaining	In considering projects for funding, it must be ascertained that the village community and/or GOV infrastructure will be financially capable of encompassing the designed activities.	A criterion for a micro-project is that it can become self-sustaining within two to three years. The creation of a revolving loan fund will use credit to engender self-sufficiency among villagers.
10. Organizational Plans for Implementation	The micro-project fund will be administered by the Domestic Economy Service of the Ministry of Plan and Rural Development, with signatures of the Directors of the Domestic Economy, the ORD involved, and the project management required for authorization of all disbursements.	The project will be implemented by the Domestic Economy Unit within the inter-ministerial Coordinating Committee for Rural Development (CCDR). In collaboration with the AID Project Advisor, the unit will manage the training, information system, technical assistance, and commodities procurement components of this project. It will also follow closely the use of Village Promotion Funds granted directly to the four project-specific ORDs and the National Women's Council, and will itself directly manage approximately 30 percent of the Funds for women's activities in non-project ORDS.

PROJECT DESIGN/APPROVAL CHRONOLOGY

5/75 PID submitted.

A Mission program officer was asked to write a PID for a project focusing on women's economic and agricultural roles.

6/75 PID approved.

9/75 PID discussed at Regional Conference in the Ivory Coast.

11/75 PRP written.

The team consisted of the Mission program officer and a consultant from ATAC.

The project design was based in part on the strategy outlined in DAI's book, *Women in Rural Development*. Additional advice was supplied by DAI at the request of the program officer.

12/12/75 PRP submitted.

1/2/76 PRP Committee review.

1/5/76 Project Review Committee Issues Paper.

The PRP was approved and the following recommendations were offered for consideration during the PP design:

- Some grant funds should be placed in a revolving fund from which soft loans could be disbursed for equipment and construction of village projects;
- The principal project technician should be a rural development specialist, not an extension expert, and should function as an advisor, not as a director;
- The information/evaluation systems should be carefully designed; and
- The estimated cost of a micro-project (\$2,000) should be reviewed.

1/7/76 ECPR meeting.

2/19/76 Cable AID/Washington to USAID/Ouagadougou, PRP approved.

The PRP was approved; however, the project purpose was to be expanded to link increased incomes and available time of rural women to the need to modify women's roles, so that they may adapt to changes in agricultural practices.

Concerning specific design issues they recommended that:

- The selection of micro-projects be limited to five villages in four regions; and
- The revolving loan fund be reviewed.

Among possible alternative funding mechanisms, grant monies might be placed in a revolving loan fund administered at a national level, or village funds might be established. The proceeds from income-producing activities were to be used for social interventions in the villages.

3/22-
4/24/76

First DAI trip, PP designed.

The project was designed simultaneously with the oncho project, by substantially the same team.

Beginning with the general project outline expressed in the PRP, the team designed a questionnaire to collect comparative data in the four project locations. It focused on economic activities and decisionmaking roles of women and available technology, and investigated various mechanisms to ensure that project benefits would accrue to women.

During the field survey, the team divided into two groups to collect data and to discuss the project with regional officials. They concluded that local women were interested in and capable of participating in such a project and that the project should be funded locally through the ORDs.

The question of a project sponsor was examined. National women's organizations, the Ministry of Education and the Ministry of Rural Development all competed for control. On condition that some national (urban) activities be included in the design, the Mission agreed to the team's recommendation that the Ministry of Rural Development sponsor the project, since that ministry funded the ORDs. The Voltaics were concerned that the project neglected the urban sector and failed to provide sufficient training for extension workers. The Mission, on the other hand, was concerned about keeping the Minister of Education satisfied, since his ministry had been left out of the design, and about the administrative ability and political future of the ORDs.

While the project did not have the socioeconomic data base the team would have wished, they considered the general design to be well constructed. Because this was one of the first projects concerning women, the team made an effort to present it clearly, hoping that it would be used by other Missions as an educational tool. They anticipated quick approval in Washington.

6/28/76 PP 1 submitted.

7/22/76 PP 1 Committee review.

The project was approved, but the General Counsel was not present at the committee review meeting. Reviewing the project independently, General Counsel concluded that it failed to meet the criteria of Section 611(a)(1) of the Foreign Assistance Act.

9/30/76 Airgram AID/Washington to all African Posts.

All African Missions were informed by the Women in Development Officer that this project was one of two "models of basic considerations including sensitivity, fuller participation and appropriate technology." Its "multi-micro projects approach" was exceptionally well conceived.

10/30/76 Cable USAID/Ouagadougou to AID/Washington.

The Mission complained that the project was being treated inconsistently, being first lauded, then rejected on the same criteria. This made it difficult for the Mission to explain the delays to the Minister

of Rural Development, who was pressuring them to begin. Stating that the Project Paper adequately answered all substantive issues raised by the review committee, the Mission said that the committee missed the point of the project. Specifically, concerning Section 611(a)(1), the project constituted both institution building and sector assistance. The sector addressed was the contribution women make in advancing rural social economic development.

As a means of helping women to expand their ability to contribute to agricultural production, the village promotion fund was an implementing mechanism, not an end in itself. As such, General Counsel advised the Mission Director at a meeting in April that detailed planning of subactivities was not necessary. Alternatively, the project satisfied the criteria by strengthening the institutions designated to receive the funds: the ORDs, the Domestic Economy Unit and the National Women's Council.

Concluding that it was impossible to locate, design, and cost micro-projects and that such an attempt would defeat the project purpose, the Mission recommended that AID/Washington seek an amendment to Section 611(a)(1). The current interpretation blocks projects, which is contrary to the intent of Congress.

11/3/76 Cable AID/Washington to USAID/Ouagadougou.

In reference to the Mission's contention that the PP satisfied all criteria for approval, AID/Washington responded as follows.

The definition of sector assistance did not correctly reflect AID policy. While almost every project affected a sector of the local economy, this was not necessarily sector-assisted financing.

During his meeting with the Mission Director, General Counsel discussed general interpretations of Section 611(a)(1). He stated that projects must be designed as an institutional activity, not characterized as such, to avoid detailed identification and planning. It did not appear that this project had as its purpose the development of the institutional capability of the ORDs to provide credit on a continuing basis. If that were the case, then it was not necessary to identify and plan micro-projects.

11/17/76 Cable AID/Washington to USAID/Ouagadougou.

Project approval was deferred until the criteria of Section 611(a)(1) could be met. The village promotion fund was to be used to develop 90 micro-projects, but not even the kinds of projects were identified. This suggested that the purpose of the fund was to provide capital to the ORD/village in the form of a "one-shot" budget to support enterprises. If the project purpose was to institutionalize credit, it was not necessary to identify the micro-projects. It was necessary, however, to give details about the institution, e.g., description of the revolving fund, review and approval process for credit applications, default rate, administration costs, credit terms, demand, etc.

If the purpose were not to institutionalize credit, specific uses of the fund had to be identified and planned. This could be done by:

- Obligating the funds after project approval;
- Modifying the PP to specify the requirements for each of the eight types of enterprises.

11/76 PP reviewed informally.

During informal discussion between AID/Washington and the Mission Director, a second project purpose was added: the institutionalization of credit.

11/24/76 Draft cable AID/Washington to USAID/Ouagadougou.

Discussions between AID/Washington and the Mission Director arrived at the following method to meet the requirements of Section 611(a)(1):

- The Mission would submit an expanded PP containing the anticipated costs, services and commodities needed for each of the eight illustrative enterprises; and
- A list of other potential enterprises would be submitted, together with criteria for selection. Provided these enterprises satisfy the requirements of Section 611(a)(1), they would be eligible for funding.

1/77 PP 2 submitted.

The PP was modified in Upper Volta to incorporate the second project purpose: the institutionalization of credit.

2/28/77 PP 2 Committee review.

The Mission hired a consultant to do background work on the project. It was anticipated that she would be the senior expatriate advisor once the project was authorized.

3/11/77 PP 2 approved.

3/22/77 Cable AID/Washington to USAID/Ouagadougou.

The project review committee recommended approval. Prior to the first disbursement of project funds, AID/Washington was to be furnished with the following information concerning the village fund:

- credit eligibility criteria,
- interest rate and repayment terms,
- procedures for loan review and approval and flow of funds,
- a format for the feasibility studies,
- an accounting system, and
- an information system.

The grant agreement was to contain covenants covering these issues. To be eligible for a village loan, a micro-project had to: be in a village where there was a female extension agent, include women in the identification and decisionmaking process, ensure that women directly received the major benefits, be the result of a feasibility study, and be financed at an interest rate of at least ten percent annually.

8/30/77 Cable USAID/Ouagadougou to AID/Washington.

The Government of Upper Volta refused to sign the project agreement unless the interest rate on the loan fund was reduced from 12 to eight to ten percent.

9/30/77 Grant Agreement signed.

The interest rate for the loan fund was changed to eight percent to the borrower; the administrative costs of operating the fund, estimated at two percent, were to be paid by the Government of Upper Volta. As a Condition Precedent for AID Mission disbursements to the micro-projects, the CCDR (Central Coordinating Committee of Rural Development) was to provide evidence of having adopted:

- credit eligibility criteria,
- interest rates and repayment terms,
- procedures for loan review and approval and flow of funds,
- a format for the feasibility studies,
- an accounting system, and
- an information system.

ZAIRE NORTH SHABA PROJECT

SUMMARY

Description

The project is designed to develop a replicable process for improving small farmer production and income by testing and introducing improved maize and other crop technologies, by developing farmer organizations, by identifying and producing improved agricultural implements and processing equipment, by expanding market services, by rehabilitating rural roads, and by developing the planning, management and evaluation capabilities of government agencies.

Total AID Funding

PP	
Loan	\$3,340,000
Grant	\$5,964,000

Duration

Two years, eight months

Design/Approval Process

	<u>Document Submitted</u>	<u>DAI Involvement</u>	<u>Time Elapsed</u>	<u>Document Approved</u>
PID	12/12/74	-	-	-
PRP	3/76	-	2 months	5/10/76
PP	9/17/76	✓	13 days	9/30/76
Pro/Ag Signed				9/30/76

Total Design/Approval Time

PID to Project Agreement 1 year, 10 months

Status October 1977

The implementing team is in Zaire, working on the first stage of the project.

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ZAIRE RURAL DEVELOPMENT PROJECT

CONTENT SUMMARY

	<u>First Paper</u> PID	<u>Second Paper</u> PRP	<u>Third Paper</u> PP
1. Goal/Purpose	The project goal is to increase corn production.	The project purpose is to develop an integrated system for improving small farmer production and income to allow Zaire to attain its overall goal of self-sufficiency in maize production.	The goal is to achieve self-sufficiency in maize production. The purpose is to develop a replicable rural development process for improving small farmer production and income.
2. Implementing Techniques	The project will improve the marketing structure, agricultural extension, and technical facilities and packages and area health.	The project purpose will be attained by testing and diffusion of improved maize production technology, the removal of critical constraints to expanded production, and the creation of farmer groups and cooperatives to assist in providing critical services.	To achieve the purpose, maize and other crop technologies will be developed, improved technologies will be extended to local farmers, viable farmers' councils will be developed, secondary and farm feeder roads and bridges will be rehabilitated, the project area marketing capacity will be expanded, an infrastructure system will be developed, and a model organization structure instituted in the Department of Agriculture.
3. Funding Level AID Contribution	\$7,101,000	\$12,110,000	\$9,304,000

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	<u>First Paper</u> PID	<u>Second Paper</u> PRP	<u>Third Paper</u> PP
4. Time for Planning/ Flexibility	Nothing.	High priority is placed on identifying cultural patterns, as well as on identifying how new practices spread in each area. From this base, critical decisions may be reached regarding the nature of village participation, the selection and training of extension agents and farmers, the improvement of the marketing mechanism, the rehabilitation of project infrastructure, and the development of farmer organizations. During the early stages of the project, activities will concentrate on research and experimentation. Such a process requires that the project design be flexible, allowing modifications to be made as knowledge about small farmer behavior expands.	The starting point for the project will be an intensive farm-level data collection and analysis effort designed to gain an understanding of farmer decisionmaking, behavior and constraints. Modifications in the project design will be necessary as knowledge about the area expands and as the local people initiate and carry out the different project activities.
5. Small Farmer Involvement in Decisionmaking	Nothing.	To maximize client farmers' involvement in developing the improved package, research will be carried out on a farmer's land within the context of his total farming system. From this investigation, critical decisions may be reached regarding the nature of village participation, the selection and training of extension agents and farmers.	The project's research program will maximize farmer involvement. It will be important to involve farmer leaders in helping to plan, guide, and implement the animation process.

	<u>First Paper</u> PID	<u>Second Paper</u> PRP	<u>Third Paper</u> PP
6. Small Farmer Resource Commitment	Nothing.	The participating farmers will be taking significant risks because of the high cost of inputs, the uncertainty of the technology, and reliance on alien agencies for input delivery and marketing assistance.	Farmers argue that paid crews should do major public works projects, and they themselves would continue to maintain their farm access roads and bridges voluntarily with no policing. Farmer involvement and resource commitments can be most readily achieved if there is an effective two-way communication between extension workers and participating farmers, and crop-specific and locally appropriate extension advice is provided to small farmers.
7. Increased Planning and Economic Capacity of Local Organizations	The reconnaissance team recommends a program that depends upon bringing new inputs to farmers through a revitalized extension service, and assures the peasant of a market outlet at a favorable price. In short, it depends upon an existing, albeit improved structure.	From this investigation, critical decisions may be reached regarding the selection and training of extension agents and farmers and the development of farmer organizations to help carry out these activities. The intent will be to encourage simple activities at first and then more complex activities as needs are identified and organizational skills improve.	The project will attempt to develop the organizational and financial skills of local farmer groups.

	<u>First Paper</u> PID	<u>Second Paper</u> PRP	<u>Third Paper</u> PP
8. Information Systems	The office will visit the subproject areas periodically to confer with the subproject directors and the commissaries of the sous-region to inspect regular evaluation.	<p>Planning, monitoring and evaluating this adaptive field-testing, and the project's overall development and effects, call for a strong data collection and analysis capability.</p> <p>A periodic two-way communication between senior project management and the participating farmers will be initiated.</p> <p>The second information collection strategy will involve the planning and evaluation unit setting up special study or trouble-shooting teams.</p> <p>A formal data collection and analysis system will perform three functions: monitoring, evaluating and diagnosing.</p>	<p>The information system will monitor and evaluate project implementation.</p> <p>It will analyze the monitored data with respect to the implied causal relationships determining the extent to which specific factors detract from or contribute to successful project implementation and achievement of project objectives. It will evaluate project performance and the project implementation experience.</p>
9. Specifications of Need and Mechanism to Make Project Benefits Self-Sustaining	Nothing.	<p>The purpose of the project is to attain an overall goal of self-sufficiency in maize production.</p> <p>The basic strategy will be to initiate and develop a process that enables small farmers to improve their production and incomes so that benefits become self-sustaining.</p>	As financial management skills are developed, some income could be generated from sales of equipment and tools to help make the Farmers' Centers financially viable.

	<u>First Paper</u> PID	<u>Second Paper</u> PRP	<u>Third Paper</u> PP
10. Organizational Plans for Implementation	<p>This project will be carried out under the direction of the Department of Agriculture, with the collaboration of ONACER (the National Cereals Office) and the National Maize Program (PNM). CIMMYT will provide important material and training inputs.</p>	<p>The Project Steering Committee chaired by the Director-General of the Department of Agriculture, will provide policy and program guidance to the project, and the Project Manager will be responsible for all project activities.</p> <p>The Project Advisory Committee will consist of zonal administrative and DOA officials, as well as representatives of the participating farmers.</p> <p>The development and testing of the improved maize technology will be conducted by PNM in collaboration with CIMMYT.</p> <p>The more technical agronomic research will be carried out at an experimental station.</p> <p>ONACER's maize marketing functions will assure the evacuation of all maize offered for sale within the project area, handle licensing and supervision of buyers, assure that the minimum producer's price is met by all dealers.</p> <p>Roads are to be rehabilitated primarily with Office des Routes resources.</p>	<p>Direct responsibility for project implementation at the national level will rest with the Department of Agriculture.</p> <p>The Project Steering Committee, chaired by the Commissioner of State for Agriculture will be the mechanism through which high-level policy and program guidance will be provided.</p> <p>At the project level all activities related to research, extension, farmer group development and grain marketing will be implemented by the Project Management Unit (PMU).</p>

PROJECT DESIGN/APPROVAL CHRONOLOGY

12/12/74 PID submitted.

12/74 Memo AFR/DS to AFR/DS.

Documentation on the proposed North Shaba Rural Development Project was sparse. In view of the tenuous financial situation, an unstable political environment, and the unknown requirements concerning local involvement and institutions, the writer suggested holding a formal workshop in Zaire to study the design implications of the project. This would help the Zairois to formulate a rural development policy and provide an opportunity for collaboration. Several consulting groups were recommended to participate in the workshop:

- DAI, to present an overview of the results of their comprehensive studies of rural development;
- Practical Concepts, Inc., to discuss the systems approach to project implementation; and
- CIMMYT, to provide technical expertise in maize production.

Zairois representatives from national, regional and local governments, and others involved in the North Shaba project were to participate. AID and World Bank representatives would observe.

1/75 Proposal for a North Shaba Rural Development Project submitted.

This proposal was similar to a PRP, containing a financial analysis, background information, and even a proposed schedule.

A Mission team drafted this integrated rural development project. The idea was based on a growing shortage of maize production, the host government's priority on rural development, and the Mission's priority on the agricultural sector. Its goal was to improve the level of living of the small farmer by increasing maize production. During the first phase (four years) the project would establish the administrative capability, the infrastructure, and appropriate technolo-

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gies, and develop a program for improving social services.

These activities were to involve road and bridge rehabilitation, construction, establishing a maize production system, a seed multiplication center, grain storage facilities and training, and an information system. About 4,000 farmers were expected to participate.

During the second phase (3-4 years), training and infrastructure would continue, production activities would be extended (15,000 farmers), improved social services would be initiated, and the project would be institutionalized.

The Department of Agriculture would be responsible for overall operations and ONACER might be the implementing agency. Perhaps an autonomous unit under the Office of the President, or some other organization would be created for project implementation.

A project planning/evaluation unit would undertake feasibility studies and evaluation; marketing, adaptive research and extension activities would be developed as a result of their findings. Only cursory treatment was given to the small farmer, stating that he must be involved in testing the technological packages and in decisionmaking.

The estimated AID budget for Phase I was \$7,540,000; for Phase II \$3,280,000.

3/6/75

Memo TA/DA to DAI.

The proposed rural development project was sent to DAI to review from the standpoint of offering design assistance to new projects to field-test their research on the determinants of effective local action.

3/17/75

Memo DAI to TA/DA.

After reviewing the proposed rural development project, DAI commented that the concepts and awareness of problems are well presented, but that the operational solutions were missing. The firm was interested in assisting in the project design and implementation and might contribute in these areas;

- First, an understanding of the problems in changing traditional maize production was necessary. Aside from those mentioned in the paper, it was necessary to look at farmer risk and credit.
- Second, the method of mobilizing local resources to support the project had to be established, particularly cooperatives should be investigated.
- Third, a plan for extending and transferring the technological knowledge was needed.
- Fourth, an information system had to be designed.

3/21/75 Memo DAI to TA/DA.

After reviewing the suggestion that a workshop be held in Zaire on the proposed project, DAI was concerned that it might focus on theoretical issues instead of specific policy and operational questions. To avoid this, they suggested that a preliminary survey to analyze conditions and practices in the project area be conducted by a small U.S./Zaire team. It would identify major constraints to and potential for development, collect data, and develop a plan for the initial sociological research necessary for project design and monitoring, which would be presented to the workshop and be the basis for discussion.

11/12/75 Design effort.

AID/Washington assembled a team of nine technical experts to assist in the project design. The technical experts generated a series of papers, but not a coherent project design.

2/76 AID/Washington hired DAI to help turn the technical papers into a coherent project design.

3/76 PRP submitted.

4/76 Prior to the PRP presentation to AID/Washington, the document was reviewed by DAI at the request of AFR/DS. Several modifications were suggested and incorporated into the PRP.

4/76 PRP resubmitted.

4/19/76 Cable AID/Washington to USAID/Kinshasa.

The PRP was reviewed favorably by the project committee. Their main concern involved implementation.

While the project purpose was to create a replicable project to increase small farmer production, the primary financial elements involved the infrastructure subsection. Under that arrangement AID/Washington wondered whether the infrastructure goals could be achieved, or whether alternative implementation arrangements should be made.

The proposed method of construction financing, fixed amount reimbursable (FAR), was not clearly described; nor were the credit system, seed multiplication component, or the role of the private sector in maize marketing operations.

They were also concerned about the problems of recruiting French-speaking technical specialists, acquiring petrol and other supplies, and the administrative structure in North Shaba. To solve some of these problems and to centralize project responsibilities, an umbrella contract was to be established to manage the entire project.

5/10/76 ECPR meeting on PRP, PRP approved.

6/7/76 Cable AID/Washington to USAID/Kinshasa.

The Mission was authorized to proceed with the PP design. The Office des Routes (OR) was to be the organization responsible for the road rehabilitation and maintenance aspects of the project. Their capabilities might be strengthened by a construction management contract with a U.S. firm to assist with equipment specification, bidding, evaluation, logistic support, technical advice, training and institutional development. The rehabilitation and maintenance responsibility could remain with OR.

Four years was considered insufficient time to implement the project; it was authorized for six years, with an evaluation after three.

The involvement of small farmers was to be delineated in the PP.

The institutional capabilities of ONACER and OR to administer the project were the most serious concern

of AID/Washington. This had to be analyzed in the PP along with deficiencies related to technical assistance and financial requirements.

"The principal of maintaining maximum implementation flexibility which implies a possible continuing need for design change is accepted within the limits prescribed by AID regulations." A detailed implementation plan of the subsystem activities was necessary. This plan also had to address the specific operational arrangements for the project in detail. One possible means of coordinating the various subsystems was an "umbrella" management contract.

AID/Washington was investigating ways to assemble a PP design team.

The grant and loan components were to be reviewed together because of the interrelationship of the various elements and the general complexity of the project.

7/13/76 Memo PPC/PDA/CP to AFR/DR.

Although the North Shaba PRP was the best document reflecting the "New Directions," it would not be successfully implemented because it was in the wrong country. Rural development and farmer participation in decisionmaking were only given lip service in Zaire. Moreover, Mobutu had demonstrated amply that he was not interested in the southeast and eastern parts of Zaire. Furthermore, there was no logical reason for ONACER to buy maize at a loss in areas lacking adequate transportation. It would only encourage farmers to engage in a high-risk enterprise in conditions of uncertainty.

Judging from other African experiences, the temptation to establish a monopoly in ONACER through direct buying and licensing would be great.

7/13-
8/29/76 PP design.

The design team was unusually large and disagreements arose related to the desirability of having a project in Zaire and the mechanisms for implementation. There was, however, general agreement on the development approach to be employed.

The PP design involved intensive data collection that documented the inappropriateness of many of the elements built into the PRP. This led to a redesign of

the project, with the technical experts researching and developing ideas for specific components with their Zairois counterparts.

Of special concern to the team was the bleak political, administrative and economic system in Zaire. Abandoning the project was weighed against the need for USAID to encourage substantive development efforts rather than relying on humanitarian assistance.

9/17/76 PP submitted.

Many of the design team members participated in the review.

9/30/76 PP approved, Project Agreement signed.

Prior to the disbursement of loan or grant funds, the Government of Zaire was to furnish evidence that the following stipulations had been satisfied.

- Creation of the Project Steering Committee;
- Creation of the Project Management Unit (PMU);
- Establishment of a special account with a bank in the project area;
- Provision of adequate fuel during the maize marketing period; and
- Action to improve the timing and coordination of pricing decisions related to maize.

10/19/76 Letter USAID/Kinshasa to DAI.

The Shaba project was a good design and approached being an integrated rural development program. "It will be full of slippage and implementation faults--and will be redesigned--but it is well-conceived." No firm local currency budget for the project was established. Rumor was that one million Zaires have been reserved for the project.

A local engineering firm (Inga-Shaba) was interested in bidding on the project.

11/18/76 DAI internal memo.

There had been delays in writing a scope of work for competitive bidding on the project. The design officer, who was to be the project manager, was in

language training. His replacement asked the Mission to write it since he didn't consider it a priority project.

11/26/76 DAI internal memo.

The Mission cabled AFR/DR that they would write the scope of work and have it ready for publication in the *Commerce Business Daily* in early February.

2/25/77 RFP published in *Commerce Business Daily*.

7/12/77 DAI/MM contract to implement the North Shaba project was signed.

7/12/77 DAI/MM advance implementation team arrived in Kinshasa. The primary purpose of this team was to arrange the logistical framework to implement the project.