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**MADAGASCAR  
AGRICULTURE REHABILITATION SUPPORT**

**(687-0101)**

**PROJECT EVALUATION**

**September, 1986**

P A R T II

TABLE OF CONTENTS

Page

List of Acronyms

13. Summary and Recommendations.....	1
14. Methodology.....	4
15. External Factors.....	5
16. Inputs.....	8
17. Outputs.....	13
18. Purpose.....	26
19. Goal.....	27
20. Beneficiaries.....	28
21. Unplanned Effects.....	32
22. Lessons Learned.....	33
23. Special Comments.....	35

Annex A: List of Persons Contacted

Annex B: MARS Workplan

Annex C: Commodity Client Form

## List of Acronyms

ABS	Annual Budget Submission
AFR/PD/EAP	Africa Bureau, Project Development Office (East Africa), AID
APAP	Agriculture Policy and Analysis Project
AMDP	Africa Manpower Development Program
ASAC	Agricultural Sector Adjustment Credit Project (World Bank)
BDE	National Data Bank
BTM	National Agricultural Credit Bank
BUCEN	U. S. Bureau of the Census
CDSS	Country Development Strategy Statement
CIMMYT	International Center for Corn and Wheat
CIP	International Potato Center
CIP	Commodity Import Program
CP	Condition Precedent
DGP	Direction General of Plan
ESF	Economic Support Fund
FAO	Food and Agriculture Office, United Nations
FMG	Malagasy francs
FOB	Free on Board
FSR	Farming Systems Research
FSN	Foreign Service National
FY	Fiscal Year
ICRAF	International Center for Research in Agro-Forestry
IFB	Invitation for Bid
GDRM	Government of the Democratic Republic of Madagascar
GSA	General Services Administration
IARC	International Agricultural Research Center
IBRD	International Bank for Reconstruction and Development (World Bank)
IDA	International Development Association
IITA	International Institute for Tropical Agriculture
IMF	International Monetary Fund
INSRE	National Statistical Office
INTSOY	International Soy Center
IRM	Information Resource Management Office (AID/Washington)
IRRI	International Rice Research Institute
L/COM	Letter of Commitment
MARS	Madagascar Agricultural Rehabilitation Support
MIEM	Ministry of Industry, Energy and Mines
MINDEF	Ministry of Defense
MPARA	Ministry of Agriculture, Production and Agrarian Reform
MPAEF	Ministry of Livestock, Water and Forestry
MPFE	Ministry of Economy and Finance
MRSTD	Ministry of Scientific Research and Technical Development
MT	metric ton
MTP	Ministry of Public Works

The project agreement for the Madagascar Agricultural Rehabilitation Support (MARS) Project was signed on April 2, 1985, initiating the first AID bilateral project in Madagascar since the 1960's. Funded at a level of \$5,000,000, it was designed to provide technical support (consultancies and training) as well as quick disbursing commodities (through a commodity import component) in support of Madagascar's evolving macro-economic and agricultural sector policy adjustments. With continued support for the same objectives, the one year original project was amended to add \$2,844,000 for another year of funding. A project agreement amendment was signed on June 25, 1986, and the current PACD for the MARS project is October 31, 1987. As of the date of the evaluation, \$3,831,000 of the total of \$7,844,000 has been expended, leaving a balance of \$4,013,000.

Consultancies and training activities under the project are intended to assist Malagasy to improve data analysis, policy making and planning, and policy implementation, with the ultimate beneficiaries those involved in agricultural production, particularly rice production, and agricultural service provision. In the amendment, particular attention is to be paid to parastatal divestiture and privatization, an activity which has just commenced. The commodity import component is intended to provide greater access for farmers to equipment, infrastructure and services via the private sector.

This formative evaluation has examined the extent to which the GDRM has continued its liberalization policies, which MARS funds have been intended as a gesture to stimulate. Positive developments are included in Section 14., External Factors. The rest of the evaluation examines project progress to date, emphasizing activities funded under the original project. Recommendations address re-orientation of planned activities remaining from the original project phase, any re-adjustments suggested for the first amendment, and options to consider for inclusion in the second, one year amendment, to be funded in FY 1987. The evaluation also reviewed project management concerns.

The evaluation team has found that the project had a somewhat slow start up, but that such a situation would be expected as Malagasy and Americans developed new working relationships and operating procedures. In the case of the commodity import component, initial delays were overcome, and internal GDRM and USAID procedures are now set up and running smoothly, with rapid disbursement of commodities. The original project has provided \$3,460,000 for Ford tractors and spare parts and Caterpillar road equipment spare parts. The first amendment provides an additional \$2,174,000, to be allocated to the same participating importers, for spare parts for selected road maintenance equipment and for agricultural tractors, light-duty trucks and a limited amount of new road maintenance equipment. Discussions with importers show that two-thirds of tractor imports to date have gone to private farmers. Roughly the same share of road construction equipment spares have also gone to private users, including road construction contractors, quarry operators and agricultural operations. Most of this equipment appears to be used for construction and maintenance of secondary and feeder roads. The evaluation team has recommended that, prior to the design of the second amendment, a survey of selected end users be conducted in order to better define categories of users and end use functions, as well as production-related benefits of the program.

In the case of the training and consultancies, the original design called for many different activities (over 21 activities in 6 Ministries or Directorates), each of which required separate government contacts and follow through, as well as AID implementation actions. This complex and diffuse situation, coupled with USAID staff limitations (one direct-hire position), has somewhat hampered implementation of this component, although not seriously. Of the total budgeted from the original project for these activities, \$276,800 of the total of \$449,999 have been committed.

The most important activities are the following:

Agricultural policy activities have been conducted through through S&T's APAP (Agriculture Policy and Analysis Project), including a document inventory, policy analysis, and implementation of a high level agriculture policy analysis seminar and informal policy dialogue. The evaluation recommends that this activity be continued, but suggests several modifications in target group and format to make the seminar more effective.

Training in economic and financial analysis skills and project appraisal techniques has been presented by USDA. A workshop was held in August 1986, for mid-level ministry staff, primarily from MPARA and MPAEF. It was well-received and has elicited interest in the country for further training. The evaluation recommends that funds available from completed and/or no longer relevant activities be reprogrammed in order to support additional USDA training.

The cluster of activities related to linkages with International Agricultural Research Centers (e.g. INTSOY, IITA, CIMMYT, ICRAF, CIP) have had limited impact. Evaluation recommendations address ways to maximize results from activities funded to date, and ways to reprogram remaining funds.

Activities related to land tenure, and in support of skills development for labor intensive road maintenance have been delayed, but are seen as potentially very important to policy, on the one hand, and to production increases, on the other. Recommendations are made that funds be held for activities under these categories.

As the project moves into implementation of the first amendment, technical assistance and training activities have become more focussed on policy dialogue and parastatal studies/divestiture. The diversity in the original project, while perhaps appropriate for setting up working relationships with GDRM institutions and for examining possible targets for further assistance, is recognized by USAID as no longer appropriate. By focussing the project on a smaller number of activities, it stands to achieve more in the way of concrete results. Parastatal divestiture activities have begun on a good footing, with an initial TDY in August to define a detailed scope of work for year one of this program, which is being implemented in collaboration with the World Bank and its Agricultural Institutions II project. A second APAP activity, to include a return visit by Dr. Elliot Berg and a policy workshop, is now being planned.

The GDRM has provided counterpart funds as needed for selected data analysis and publication, in-country training and a variety of project logistic support costs. An effective mechanism has been set up within the DGP to manage these funds. However, a recommendation has been made that USAID request the DGP to submit copies of financial reports on a regular basis.

The management burden of implementing technical assistance and training activities has been high. At the same time, the lack of a regular project manager (with the gap filled by part time contractors and REDSO) has resulted in a lack of cohesion in project management and financial tracking. Recommendations address steps to address this problem, including filling of the second direct hire position at USAID with a project officer.

The evaluation addresses, in Section 23., strategy and funding considerations for the second amendment. The evaluation team is in agreement with the general approach presented in the recent ABS, and agrees that the second amendment to MARS should continue to support Madagascar's liberalization policies through a focused program of policy dialogue, support for required commodities, and assistance with privatization of service provision. In the latter area, MARS activities should support in-depth studies of problem areas, which are conducted in collaboration with relevant Malagasy and which lead to specific privatization actions or steps to restructure agricultural services. The second amendment, then, should (1) continue the commodity import component, (2) continue efforts at agricultural parastatal divestiture; (3) initiate efforts to assist with privatization of certain services to farmers which are now provided wholly by government; and (4) continue policy dialogue and discussion through visits by a high level advisor, and selected training activities. Planning figures for the FY 1987 amendment are a total of \$3,000,000, to include at least \$650,000 to \$800,000 for the technical assistance and training component. The precise level for this component should be set after several key consultancies over the next few months, funded by MARS and other sources, which will look at the proposed private sector studies component, further APAP work, and startup of the parastatal activity.

#### 14. METHODOLOGY

This formative evaluation of the Madagascar Agriculture Rehabilitation Support (MARS) Project was conducted in Antananarivo between September 2 and 16, 1986. The evaluation team was composed of Deborah Prindle, from AID/Washington, and Rosalie Fanale, Lyn Dunn and Hadley Smith, from REDSO/ESA. Julie Rea (USAID/Antananarivo) worked along with the team throughout the evaluation, providing the necessary sources and background information, and attending meetings with the GDRM. Jack Smith (REDSO/ESA Engineering) provided input concerning engineering aspects of MARS. The team met with various representatives from the GDRM and the private sector involved in the implementation of both the policy/institutional development and commodity import components of the project, as well as with individuals who have benefitted from training opportunities provided by the project. Meetings were held, as well, with representatives of the World Bank, whose major, ongoing Agriculture Institutions II project is complementary to MARS. A list of persons contacted is included as Annex A.

The evaluation has looked at project progress to date, in relation to planned inputs, outputs and purpose, and the impact of project activities. For the most part, activities which have been evaluated are those from the original project, as the first amendment became operational only in June, 1986. Recommendations address possible re-orientation of planned activities remaining from the original project phase, any re-adjustments suggested for the first amendment, and options to consider for inclusion in the second amendment, to be funded during FY1987.

Based on its initial meetings with USAID/Antananarivo, the team paid special attention to several topic areas. One of these was project management, and how implementation responsibilities have been handled by both the GDRM and USAID, given the small size of the USAID office in Madagascar, and the fact that this was the first bilateral project in Madagascar in over 15 years. The team also looked at the evolution of focus in the project, from its inception as a broad-based activity providing support to, and contact with, numerous offices within the GDRM, to one channelled to a smaller number of policy development activities. This is consistent with the recent CDSS, in which a more narrowly focussed assistance profile, centered on the rice sub-sector and private sector services, has been developed. The commodity import component was examined in terms of the extent to which procedures have been set up which run smoothly and provide for quick disbursement of funds, and its effectiveness in meeting private sector demand. It was also important to examine the continually changing economic and agricultural policy context within which the project operates, and in particular continued progress with market liberalization, especially that related to rice. The evaluation plan included in project documents provided guidance to the team in its review of inputs and outputs, definition of beneficiaries and examination of economic policy trends. Provision of superstructure components for the Namakia Bridge has not been covered in this evaluation.

The report is presented in the Project Evaluation Summary (PES) format. Recommendations are detailed within the sections in which they apply. Suggestions for design of the second project amendment are discussed in Section 23, Special Comments.

15. EXTERNAL FACTORS

Due to the importance, to the achievement of project objectives, of Madagascar's economic policy liberalization, this section will assess in some detail the progress by the GDRM in liberalizing the economy, particularly rice production and marketing. The project is designed to support policy reform, although the immediate project outputs are not policy reform. The evaluation team reviewed the status of macro-economic and agricultural sector adjustment programs to assess comprehensively the commitment of the GDRM to policy reform, and its effectiveness in implementing major structural changes in the economy. The background and status of the agricultural and macro-economic adjustment and stabilization programs were reviewed and analyzed in Annex B of the FY1988 CDSS, dated March 1986. The evaluation team has found, and the World Bank has confirmed, that reasonable progress toward planned policy reforms has been achieved, and that further short and medium-term reforms are planned.

A. Overview of Recent Reforms

In May, new reform steps were taken under two new, mutually supporting projects with the World Bank, namely the Agricultural Sector Adjustment Credit Project (ASAC) for SDR 50 million, and the Second Agricultural Institutions Development Project for SDR 8.7 million. In April, twenty-two countries and organizations attended the third meeting of the Consultative Group for Madagascar in Paris, sponsored by the IBRD. The Group agreed that the GDRM's proposed programs of policy reform were on the right path, and urged that they be pursued and developed further. A meeting of the Paris Club to reschedule debts is planned for October. In addition, GDRM negotiated two requests for IMF assistance in May. One was a request for an emergency purchase of SDR 16.6 million to recover from the damages of cyclone Honorinina in March, and the second was a request to purchase SDR 16.1 million under the Compensatory Financing Facility to offset the 1985 shortfall of coffee and vanilla export earnings. Both of these agreements contain reviews of progress on policy reforms and reaffirmation of the GDRM's commitment to continue and reinforce measures to strengthen the economy.

Negotiations for the sixth IMF Standby Arrangement were interrupted by the cyclone, which imposed new foreign exchange and domestic costs requiring investigation and assessment. Negotiations were resumed in June and the new Standby Arrangement is expected to be approved in September, after a 25 percent devaluation. These actions demonstrate that the GDRM is cooperating fully with IBRD and IMF as well as AID in designing and implementing monetary and structural adjustments to reverse declines in production and income.

The following paragraphs review reform measures which have been undertaken or are planned during the 1986-87 adjustment program.

B. Specific Reform Measures

1. Resource Allocation

The GDRM is continuing to review projects in the 1986 public investment program, eliminating low priority and uneconomic projects, for which funding is not available. IDA concurrence with the 1987-89 program is required for release of the second tranche of ASAC financing. GDRM also plans to reduce subsidies from export crop revenues to state trading companies by one third during 1986 and to eliminate them by May 1988. Subsidies on agricultural inputs, which average 30 percent or more, were reduced by 7 percent of the equivalent CIF cost when ASAC became effective, and will be eliminated prior to release of the second tranche.

2. Rice Strategy

GDRM is committed to providing maximum incentives to producers by freeing domestic production, processing, trade flows and prices from all controls. In support of increased reliance on market mechanisms, an imported rice buffer stock will be maintained to cushion excessive price fluctuations, supply welfare consumers, and provide emergency supplies for periods of natural disaster. MPARA's role in the implementation of national rice policy has been strengthened; MPARA will supervise buffer stock management, including SINPA services in transporting and distributing commodities.

In April, competition in rice marketing was introduced among traders, millers, and hullers without restriction in Lac Alaotra and Marovoay. Rice supplies for social welfare are to be phased out within five years and, in the interim, will continue only during periods of seasonal shortage, if market prices fall to levels agreed upon by World Bank and GDRM.

A trigger price acceptable to IDA will activate open market sales from the buffer stock and is to be high enough to recover fully the costs of the program. During 1986-87, the price has been set at 40 percent of the average, post-harvest market price. An annual import program will support the buffer stock and will be adjusted as appropriate in accordance with market requirements. A minimum volume of buffer stock has been set at which the stock manager will order rice shipments to avoid price speculation. IDA, in effect, guarantees the success of the buffer stock system by promising enough foreign exchange to supply all the rice needed at the trigger price. IDA defines the buffer stock system as influencing, rather than controlling, the rice market. The ASAC appraisal report estimated there is a 5 percent chance that open-market sales would exceed 30,000 MT, when IDA would need to finance additional imports. AID's Food for Progress Program will provide this 30,000 MT of rice for the buffer stock for year one. Year two and three Food for Progress contributions of 21,000 MT per year are planned, subject to availability of USDA commodities and review of buffer stock operations and import needs.

### 3. Production and Marketing Incentives

GDRM recently enacted legislation specifying that agricultural prices except for industrial crops, including cotton, sugar, and tobacco, and high rent taxable crops, such as coffee, cloves, vanilla, and pepper, are not subject to controls. Coffee producer prices were increased 25 percent and the ex-factory price of edible oil was raised 100 percent. The price of a kilogram of robusta coffee increased from FMG 470 to FMG 600 and of arabica from FMG 470 to FMG 620. The producer price of vanilla was raised to FMG 7,000 per kilo. These price increases, coupled with the 25 percent devaluation, will encourage investment and savings by coffee and vanilla growers. Prior to disbursement under ASAC, new quarantine regulations are to be enacted. An action program to encourage private trading through improved credit and administrative procedures is to be finalized by the end of October. Importation and distribution of agricultural inputs is to be transferred to private, commercial enterprises and over 70 of MPARA' sales outlets already have been closed.

### 4. Export Crops

The GDRM is giving special emphasis to studies of production and taxation of export crops, particularly edible oils. A study of the edible oils industry is being financed by UNDP which will assess the comparative advantage of different oil crops and rehabilitation of the industry. An action plan for the oilseeds and coffee industries and for diversifying exports will be prepared in the near future. Studies of ways to improve export administration also will be undertaken and an action plan prepared prior to release of the second tranche of ASAC financing.

### 5. Stabilization Program

As of mid-September, GDRM is reputed to be close to agreement with IMF on a 1986-87 standby arrangement for SDR 30 million extending through the end of 1987. The staff report and recommendations on the proposed standby arrangement are expected to be considered by the IMF board of directors before the end of the month. Although the latest version of the major performance criteria was not available to the evaluation team, an early draft of the letter of intent prepared by the Minister of Finance and Economy in July proposed that the primary reforms focus on creating the market and regulatory conditions favorable to economic growth. Inflation was expected to be 16 to 18 percent in 1986, including the inflationary effects of devaluation.

The GDRM proposed to limit rice imports to 134,000MT. The draft letter of interest proposed not to authorize or guarantee increases in external public debt of less than one year maturity through the end of 1986, or incur new loans of 1 to 5 years maturity, or incur more than SDR 35 million of new debt with maturity between 5 and 15 years. Banks were to be prohibited from financing public enterprise losses after January 1987. Subsequent discussions with IMF undoubtedly strengthened preconditions for approval of the standby arrangement.

## 6. Impact of Policy Reforms

Experience in other countries which have introduced structural adjustments, particularly in the agriculture sector, suggests that large increases in production are possible and are expected in Madagascar with favorable weather. As real income has fallen, urban families spend a larger percentage of income on food. The adjustment program undoubtedly will require still further medium term increases in the real price of rice. Increases in production and productivity, however, should increase real income in the long run and benefit both urban and rural families.

### C. Conclusion

While the full benefits of the reform programs will not be realized for several years, the GDRM is embarked on an ambitious, but urgently needed, macro-economic reform program to increase economic growth and foreign exchange earnings. The industrial sector only exports about 5 percent of its production and currently is operating at only 40 percent of its capacity. At the onset of the reform program, important elements of the GDRM, including the President, openly questioned the wisdom of the program but acknowledged the GDRM had no other choice. Reasonable progress has been made but the reform program is only beginning and the GDRM must demonstrate resolve, persistence, and leadership if the desired end result is to be achieved.

## 16. INPUTS

Project inputs can be divided into two categories: (1) the import of agricultural commodities using a CIP-like mechanism, and (2) training (both in-country and external) and consultancies, along with related support commodities for activities devoted to policy making, planning and institutional development in the agricultural sector. In addition, funds have also been budgeted for construction of a bridge crossing at Namakia in northwestern Madagascar. The evaluation will also discuss the provision of counterpart funds to support project activities.

The following review discusses inputs according to the listing in the project paper and the amendment:

1. Commodity import support for spare parts and tractors, new trucks and new road building equipment, and elements for a low-level bridge crossing at Namakia.

Commodity inputs identified in the original Project Paper under the commodity import component included spare parts for selected road construction and maintenance equipment and a limited number of new agricultural tractors and tractor spare parts, and bridge superstructure components. This component totalled \$4.6 million. (As of the date of the evaluation, bridge components had not yet been provided.)

In terms of funding, commodity support forms the major component of the project. Emphasis has been given to agricultural rehabilitation, with due regard for balance of payments considerations and AID procurement

requirements. Apart from the small amount of project support commodities and the bridge superstructure components, which were to be procured either directly by AID or the GDRM, private sector importers were identified to import and distribute the total amount of commodities financed under the commodity import component. Among the potential firms identified during the PP design phase which would be eligible to participate as importers of U.S. manufactured commodities were John Deere, Ford, Massey Ferguson, and Caterpillar.

During the original project design, each of these represented firms were requested to submit their import requirements, and based upon those assessments, the PP estimated foreign exchange requirements. In addition to determining FX requirements, the PP identified the types of commodities which would be eligible for importation under the CIP component. For example, it was determined that the size range of tractors most needed by the agricultural sector would be of the 40 to 75 horsepower range. Therefore, without specifically targeting beneficiaries, by limiting tractors to this small size range, the likelihood of reaching smaller private operators was increased. Likewise, the project limited eligibility of spare parts for road maintenance equipment to those used for track-type tractors and graders of the kind used in the construction and rehabilitation of secondary roads. On the other hand, large earth moving machinery and scrapers were not eligible to receive allocations for spare parts importation. As a further control measure, the AID Letters of Commitment to the U.S. manufacturers, by referencing appropriate Schedule B numbers, restricted the types and size range of tractors and spare parts. However, as with standard Commodity Import Programs, importers were not required to sell commodities to a particular group of beneficiaries.

The intent of limiting the types and size range of commodities was therefore a method of partially directing commodities away from very large scale government-owned or parastatal interests without excessively restricting the standard commercial practices of the participating importers.

The original Project Paper anticipated the following allocations with the understanding that final numbers would vary once importers placed their official requests for foreign exchange with the DGP:

Ford Tractors	\$710,000
Caterpillar Spare Parts	
Tractors	1,700,000
Graders	500,000
John Deere Equipment	500,000
Massey Ferguson Equipment	50,000

The commodity import component of the MARS I Amendment provides additional foreign exchange to be allocated by the DGP to the same participating importers, Ford and Caterpillar, to import spare parts for selected road maintenance equipment and agricultural tractors, light-duty trucks and a limited amount of new road building equipment. This component is budgeted for \$2,174,000.

The DGP has submitted a procurement plan to AID in order to comply with the conditions precedent. Likewise, the DGP has notified the two importers that increased allocations will be made available, and importers have been instructed to provide the DGP with their official requests for foreign exchange. Provided that the procurement plan receives AID legal clearance, the DGP will be prepared to assemble the necessary documents required to amend the importers' letters of commitment to add the additional funds and to extend the instruments' expiration dates. Each importer must obtain supply contracts with their U.S. manufacturers for the increased amounts of procurement before AID can amend existing L/COMs. Both the DGP and the importers are aware of this requirement.

One change in the commodities list contained in the Amendment is that Ford has asked that they be permitted to import trucks ranging in size from 1/2 to 5 tons rather than the 2-7 ton range which Ford originally wished to procure. The DGP is agreeable to this change and believes that this size range is the most appropriate for the road conditions and typical cargo volumes transported in Madagascar. The evaluation team has no objections to this change.

2. Short-term participant training courses, both those held in-country and those offered in the US or 3rd country sites.
3. Short-term consultancies to address critical skill gaps identified by the GDRM. Such consultancies will likely address "gaps" found in other donor assistance programs, with special emphasis on agricultural policy dialogue. Under the Amendment, particular attention is being paid to parastatal management/divestiture in the agricultural sector.

Inputs (2) and (3) are discussed together since their provision has most often been linked in the same activity category. In general, training and technical services have been provided without major problems, although at a slower rate than anticipated in the design of the original project. Reasons for slow provision of these two categories of inputs are discussed in section 22. (Lessons Learned) of the report, and have to do with the project's complexity, the sensitivity of some topics within the GDRM, and staffing limitations at USAID and the DGP. As of this evaluation (September 1986), \$276,800 of a total of \$449,000 budgeted for training and technical services in the original project, or roughly 62 percent of the budgeted amount, has been committed:

	<u>Budgeted</u>	<u>Committments</u>	<u>Balance</u>
Training	\$154,000	\$107,600	\$46,400
Technical Assistance	295,000	169,200	125,800
<u>Total</u>	<u>\$449,000</u>	<u>\$276,800</u>	<u>\$172,200</u>

Much of the remaining funds will be used (or are being held so that they may be used) for the types of activities originally planned. However, at least

\$55,000 can be identified at this time for reprogramming. Section 17. (Outputs) discusses in detail each of the activities planned under this category and reviews accomplishments. In addition, a discussion and recommendations are included for re-programming some of the remaining funds, in cases where planned activities do not appear to be appropriate at this time.

Technical services and training under the first Amendment, budgeted for a total of \$515,000, are anticipated to be expended in one year. A PIO/T for the second year of APAP activities has been completed (\$90,000) and parastatal divestiture activities have begun, with the initial TDY completed in September 1986 to define a scope of work for the year.

4. Necessary equipment and supplies to complement the consultancies and training, such as computer hardware and software, office equipment and supplies, filing and storage cabinets, and reproduction equipment and supplies.

Under the original project, a small amount of funds, totalling \$91,000, was budgeted for commodities to complement the consultancies and training. These have included computer hardware and software, office equipment and supplies, office equipment such as filing and storage cabinets, and reproduction equipment and supplies. \$35,000 was budgeted for vehicles, \$36,000 budgeted for computer equipment, and \$20,000 budgeted for office equipment and supplies (and contingency under this category). Project vehicles and computer equipment have been procured and are in operation. Four IBM micro computers have been procured. The DGP has declined to request project funds to procure office equipment, cabinets, and supplies, and these funds (\$20,000) can now be reprogrammed.

Under the amendment, \$154,500 will be made available for financing approximately six micro-computers, four vehicles, and some mechanical office equipment for use by various technical assistance persons and ministries. These technical project support commodities will be purchased directly by AID in coordination with the DGP. The DGP is currently assembling precise commodity requirements and technical specifications from the various ministries, however it is anticipated that the process will be lengthy. New catalogs and price lists were obtained from the U.S. for computer equipment offered on the GSA schedule. The DGP has recently requested that AID finance a fifth vehicle, and illustrated that this could be done within the existing budget. AID/Antananarivo has just concurred in this request. Thus, two vehicles each are going to MPARA and MPAEF, and one to the DGP.

An issue surrounding problems in procurement of computer equipment concerns the importing of U.S. brands. For a number of years a French computer company (SYMAG) has maintained a monopoly in Madagascar. Equipment available from SYMAG is far inferior (frequent breakdowns, limited capacity for handling large data sets) to comparably priced U.S. equipment. When procurement of IBM computers was undertaken under the original project, much delay was experienced with government approval to import IBM equipment (even though procurement of American computer equipment formed part of the Project Agreement), and later in clearing the equipment through customs. Ultimately, equipment reached its intended destination, with favorable reports from users. The machines are being used to capacity.

Though SYMAG is experiencing financial difficulties, and no law supports the monopoly's existence, difficulties in future computer procurements are likely to continue during the project's amendment phase. The team stresses that AID should stand firm, resist any pressures to support this monopoly, and continue to push for procurement of these items which are critical to the activities undertaken by the institutions involved in the project. It is understood, however, that some delays in computer equipment are to be anticipated, and the timing of procurement actions should take this into account.

5. Local currency counterpart funds generated from the sale of PL480 commodities will be allocated to support:

- a) the reconstruction of a major bridge/road link in northwest Madagascar,

This is included in the discussion of the Namakia Bridge in section 17, below.

- b) selected data collection, processing and publication activities and associated in-country training programs; in-country analysis of key agricultural economic problems; and, a variety of project logistic support costs.

A total of \$120,000 worth of counterpart funds was budgeted for these items in the original project agreement. Funds were reserved by the GDRM by using the mechanism set up with USAID for PL480 projects. In effect, a PL480 project, using 1984 PL480 funds (84-1-28) was approved in November 1985 to provide MARS counterpart funds. Line items for consultants, seminars, travel, material, administrative costs and fuel totalled the FMG equivalent of the budgeted \$120,000.

Effective procedures have been set up with the DGP for management of the counterpart funds specific to the MARS project. The DGP keeps updated records on uses of funds and current balances by line item. However, these reports are infrequently submitted to AID.

Recommendation: That USAID/Antananarivo request that the DGP provide financial reports summarizing the specific uses made of counterpart funds and amounts disbursed and expended by category.

At the time of the evaluation, roughly 25 percent of the total has been disbursed (FMG 27,770,451 of a total of FMG 81,600,000). This is somewhat slow. However, substantial costs are anticipated, related to upcoming in-country seminars and use of local consulting services. Under the first amendment, the equivalent of \$105,000 has been budgeted for counterpart support. A separate agreement will have to be set up to program these funds. This should be done soon, as substantial amounts will be required for the local consulting services planned as a part of the parastatal component.

Recommendation: That USAID/Antananarivo set up an Agreement with the DGP for use of counterpart funds budgeted under the under the MARS Amendment.

17.         OUTPUTS

A.    Commodity Import

1.    Progress in Relation to Design

Considering that the commodity import component designed under this project was the first effort of this nature by AID in Madagascar and that there has not been a Commodity Management Officer in country, implementation has progressed well. No major problems have been encountered. Establishing detailed import procedures with the implementing ministry (DGP), the Central Bank, participating importers, and AID required several months, but is now in place for future activities. Time was also required to hire a local person in USAID to monitor the program. Financial instruments (Letters of Commitment) were likewise time consuming to establish, since the importers had never participated in this type of program. Altogether, however, while these administrative details required time and delayed the start-up of the CIP activity, the problems encountered were relatively minor.

Importers are required to deposit local currency equivalent to the cost of the commodities into a Special Account, and the GDRM is required to report regularly on the use of these counterpart funds. These funds are to be programmed jointly by AID and the GDRM following the local currency use plan (which includes PL480 generations as well) set forth in the FY 1988 ABS. Uses of the funds are keyed to the program objective of food self-reliance, with a rice sub-sector focus, and funds are to be used to support improved policies, inputs, services and infrastructure toward this objective. In addition, a Trust Fund agreement was signed in June 1986, with an initial increment of \$165,000 derived from commodity import generations, to cover local administrative costs of the USAID program in Madagascar. Future increments will also come from CIP generations.

Commodities and foreign exchange have moved efficiently since the Letters of Commitment have been in place. Relations between USAID staff, the implementing ministry, and participating importers are good, and reporting on deposits of local currency by the importers to AID into the Special Account and on the volume and progress of imports has been adequate. Procedures and issues which were addressed during implementation are as follows:

- (1) Once implementation began, the Ford importer indicated to AID that it was prepared to absorb a good deal more FX than originally anticipated and requested an allocation of \$1,000,000 for tractors and \$300,000 for spare parts. Massey Ferguson and John Deere, on the other hand, declined to make official requests for allocations after negotiations with their U.S. manufacturers failed to produce prices which were competitive with their non-U.S. sources for the same equipment. High landed costs were in part due to the strength of the U.S. dollar at that time and to the cost of transportation from the United States. Therefore, the DGP gave Ford the allocations which would have otherwise been granted to John Deere and Massey Ferguson.

- (2) In August 1985, it was learned that the Caterpillar importer would likely require a source and origin waiver to permit financing of certain non-U.S. manufactured Caterpillar spare parts which the importer normally blended with U.S. shipments in European bonded warehouses before shipment to Madagascar. The need for this waiver was a result of revised Agency guidelines regarding the componentry requirements of spare parts shipments from bonded warehouses. Therefore, in February 1986 a waiver was approved to finance up to 42 percent non-U.S. manufactured spare parts to be blended in European bonded warehouses.
- (3) In August 1985, after discussions with the Ministry of Commerce and the DGP, the last details regarding import procedures, Special Account deposits, and inspection were finalized and a letter of understanding was received from the DGP. Apart from detailing precise import procedures to be followed by the participating CIP importers, it was determined at that time that the GDRM would not require commodity inspections in Madagascar, thereby resulting in a savings of 1.4 percent of the FOB value of the commodities for the importers. That savings was significant, considering that U.S. commodities were not price competitive in Madagascar. Furthermore it was determined that importers would deposit local currency into the Special Account at the time shipping documents are passed to the importer by the Central Bank, rather than at the time importers receive foreign exchange allocations, thereby providing importers with approximately 90 days to delay local currency deposits while the commodities are in transit. This time value was also viewed as a small incentive for importers to participate and allowed the importers to offer lower retail prices to their clients.

These detailed procedures, although time consuming to construct, provided the foundation necessary to begin operations. They are now firmly in place for the project amendment phase and for any similar CIP-like activities undertaken in the future.

The following breakdown illustrates how foreign exchange allocations were distributed:

Ford	-Tractors	\$958,150
	-Spare Parts & Accessories	300,000
Caterpillar	-Spare Parts & Accessories	\$2,200,000

A total of \$1,850 under the commodity import component is currently uncommitted, and can be either allocated to an importer at the time that Letters of Commitment are increased with Amendment funding or programmed into another activity.

## 2. Current Status

### (a) Caterpillar Imports

In the beginning there was a delay in issuing Caterpillar's \$2.2m Letter of Commitment until an appropriate beneficiary for the L/COM could be named by

Caterpillar. Initial shipments and disbursements were delayed for several months beyond the time that CPs were met and import procedures in place, until the details of the L/COM could be finalized. Caterpillar's L/COM was eventually issued on March 19, 1986 and the first shipments of spare parts began in May. Imports have averaged \$400,000 per month since May, and approximately \$1.3m has been disbursed under the L/COM to date. The importer is depositing local currency into the special account on an average ten day frequency as commodities are shipped. The Caterpillar importer indicated that approximately 793,000,000 FMG has been deposited into the special account since the first imports of parts began to arrive.

(b) Ford Imports

Ford received their Letter of Commitment on January 6, 1986. The L/COM was subsequently amended on August 14, 1986, increasing the total value to \$1,258,150 for imports of 69 small farm tractors and \$300,000 of tractor spare parts and accessories. The first shipment of 26 tractors arrived in June 1986 and have been sold. A second shipment of 26 tractors arrived in Madagascar on September 5, 1986, and a third consignment of 17 is scheduled to arrive in December 1986. Approximately \$200,000 of spare parts and accessories are scheduled to arrive before December 31, 1986 and a final \$100,000 to land in the first quarter of 1987. Ford has deposited approximately 431,486,000 FMG into the special account to date, covering the first two shipments of tractors.

B. Policy and Institutional Development (Training and Consultancies)

Outputs from project-funded training and consultancies have been delivered by the following modalities: in-country seminars and workshops; study tours to international agricultural research centers (IARCs); short term external training in agricultural and census statistics, and rural development project management; and short term consultancies. Parastatal appraisal is just beginning with first amendment funding. Outputs are described by substantive category as follows:

1. Agricultural Policy Analysis
2. Networking with International Agricultural Research Centers
3. Agricultural/Census Statistics
4. Economic and Financial Analysis of Agricultural Projects
5. Social Analysis/Land Tenure Studies
6. Labor Intensive/Earth Roads

Annex B, the MARS implementation plan, also serves as a useful guide to project achievements to date.

1. Agricultural Policy Analysis

The three outputs in this category were delivered by a project-funded buy-in to the S & T-managed Agricultural Policy Analysis Project (APAP). The products included: (1) a 2 1/2 day seminar in Antananarivo on Instruments of Agricultural Policy Analysis, (2) a report on GDRM Agricultural Policy Reform by Dr. Elliot Berg, based on 16 days of consultations and site visits in Madagascar, and (3) an inventory of documentation on the Madagascar agricultural sector (studies, evaluations, research reports).

In collaboration with sub-contractor Dr. Elliot Berg, the APAP contractor, Abt Associates, led a seminar on Agricultural Policy Analysis over the 2 1/2 day period from January 30 to February 1, 1986. In response to a last-minute DGP request, APAP acted quickly to provide Dr. Ngo as a conference facilitator familiar with Asian policy reform experience. This pilot initiative addressed the most politically sensitive (but crucial) area of MARS activity (as evidenced by the lack of local press coverage of this event). The seminar was designed to (1) introduce Malagasy decision makers to other LDCs' experience in agricultural policy reform, (2) provide a forum for open discussion of Malagasy experience in implementing rice price liberalization and other reforms, and (3) identify next steps in Malagasy reform for further study. The seminar was less successful than anticipated because the high level of decision maker targeted was not reached, for the most part. Of 30 participants, 23 were at the "Chief of Service" level, lower than that targeted, though 5 Directors and 2 Ministerial Advisors (a higher decision-making level) were in attendance. The compressed seminar format of 2 1/2 days had been chosen to meet the time constraints of high level policy-makers, but this format proved somewhat frustrating to most participants; their level of responsibilities focussed more on policy implementation. Participants at this level would have preferred a longer seminar with a more participatory format, and more presentations geared to solving specific policy implementation problems. On the other hand, the seminar was successful in that it "broke the ice" on formal U.S./Malagasy agricultural policy dialogue in an open forum setting. Issues discussed were not summarized in a seminar report for wider distribution, thus impacts of the seminar were limited. Significant lessons were learned for the future, as summarized in APAP's internal end-of-conference report submitted to USAID/Madagascar, and further elaborated by evaluation team discussions with Malagasy seminar participants. On the basis of these discussions, the team believes that we will be unlikely to attract substantial participation by high level decision makers so long as we retain the same, structured seminar setting. The planned provision of study tours in Asian countries (budgeted under the first project amendment) may attract 1-3 high level decision makers to participate in the follow-up Agricultural Policy seminar planned for June 1987. Funds have been budgeted under the first MARS amendment for study tours which are planned to expose 1-3 policy-makers to Asian agricultural policy reform models with a rice focus. USAID plans to ask Drs. Berg and Ngo to prepare their own seminar presentations as commentaries and reactions to seminar papers which would be prepared by these participants. However, the evaluation team feels that inter-ministerial rivalries, external sponsorship, pressure of other commitments and obligations, and the sensitivity of discussing policy in a formal public setting, all combine to make broader high level participation in a follow-up seminar unlikely. Rather, informal settings (dinners, private conversations) could more effectively bring Drs. Berg and Ngo together with GDRM Ministers and Secretary Generals for a freer exchange of views and a more open debate of policy alternatives.

Recommendations: Dr. Berg's return visit in 1987 should be designed to maximize informal interaction with Malagasy policy-makers. Further, if a second Agricultural Policy seminar is planned for June 1987, the option should be considered of targeting the seminar towards the needs of policy implementors at the middle management level, in recognition that participation

by higher-level policy makers will probably be limited to keynote addresses by study tour participants. All seminar papers should be distributed to seminar participants in advance, to allow more time to be spent on interaction between facilitators and participants, rather than formal presentations. A summary seminar report should be prepared by conference facilitators, in collaboration with DGP, for reproduction and wide distribution within relevant ministries.

Dr. Berg's subcontract called for the production of a report on Madagascar's agricultural policies, the status of policy reform effected, proposed and needed in this sector, and suggestions for priority use of AID funds to promote additional needed reforms. USAID/Antananarivo conceived this report as a product primarily for distribution within AID, though a few copies were confidentially distributed to other donors. The report was designed to provide background material and recommendations for the CDSS Update, with the objective of assisting the Africa Bureau to reassess the level of resources and redefine program priorities appropriate for AID focus in Madagascar. AFR/PD/EAP organized AID/W distribution of the Berg report, and a debriefing session for Africa Bureau staff, as an opportunity to debate recommendations and conclusions expressed in the report. During this review it was clear that Dr. Berg's report was perceived as extremely insightful, objectively critical, and provocative. His honest appraisal of the profound need for structural reforms in the Malagasy economy influenced the CDSS decision to move slowly, rather than expand resource levels in Madagascar (with the exception of the Food for Progress initiative in the rice sector). Further, his recommendation that AID should support the trend of "creeping divestiture" of parastatals leading to privatization has had an important role in the shaping of MARS first amendment, which provides funds for parastatal divestiture in collaboration with the World Bank's Agricultural Institutions II project. And finally, his recommendation that AID finance several studies of private sector opportunities for expanding key services and inputs to the agricultural sector is being considered for inclusion in the MARS second amendment for FY 87. Thus, the team believes that Dr. Berg's report has made an important contribution to AID strategy decisions. Unfortunately, the report was designed only for internal use, and no other report on his trip findings or the APAP seminar was produced for public distribution. Dissemination of MARS-funded agricultural policy outputs to date has been limited to impressions retained by seminar participants and Malagasy with whom Dr. Berg conversed directly. So long as public reports on any follow-on MARS-funded policy seminars are prepared in line with the recommendation above, the evaluation team believes that it would be valuable to ask Dr. Berg to update his internal report and recommendations for future AID assistance during his next visit to Madagascar, funded under the first amendment and scheduled for June 1987.

Recommendation: An update of Berg's January 1986 report for AID internal use and a separate report for public distribution are recommended to be included in Dr. Berg's scope of work for his return visit in June 1987.

Completion of the inventory of agricultural policy and research documents, prepared by APAP in collaboration with MAMOKOTRA (a parastatal Malagasy consulting firm), has been delayed by logistical and communications difficulties, complications caused by the contracting of MAMOKOTRA services through DGP, and the absence of a regular project manager who can follow-up

regularly with all parties. The inventory was initially to have been completed in time for distribution as background for the January 1986 agricultural policy seminar. Delays in the onset of work resulted because APAP sent an administrative, rather than a technical, advisor to negotiate the scope of work with MAMOKOTRA, and agreement of the format for the product was delayed until a later TDY by the technical advisor. In February 1986, APAP received computer disks with the complete MAMOKOTRA product (bibliography of 587 documents, of which 250 had been reviewed with abstracts prepared). By the end of February, the DGP had received copies of the six volume inventory for distribution to AID and APAP, but as of September 1986, the DGP had still not forwarded these copies to AID and APAP for final review, reproduction, and distribution. DGP has informed AID that the hard copies of these reports are for its internal use only, since they are products of the DGP contract with MAMOKOTRA, and that APAP is responsible for finalizing and producing the AID document from the disks. Since MAMOKOTRA and APAP could not agree on the format for organizing the inventory, two separate printouts were prepared by MAMOKOTRA -- one organized chronologically by theme as requested by APAP, and a separate volume organized alphabetically by title under theme headings as proposed by MAMOKOTRA. APAP has suspended finalization of the document, since the location of documents inventoried was not included in MAMOKOTRA's printout of the APAP format for the inventory. The evaluation team was informed by MAMOKOTRA that this was not required in its scope of work, and no further data manipulation will be performed under its contract with DGP. To resolve this stalemate, it appears that APAP will need to reprogram its disk material obtained from MAMOKOTRA, to copy the locations of documents from the alphabetical list to the chronological list. Since identical document identification numbers were used in both lists, APAP should be able to complete the inventory with little effort once mobilized. It is disappointing that APAP has allowed the product to be delayed so long, and finalization of the document is unnecessarily delaying the start-up of MARS-funded land tenure studies and other initiatives. Nevertheless, preparation of the inventory was an ambitious undertaking, given the wide scattering of material throughout Malagasy and French institutions.

Recommendation: AID should request that APAP finalize the inventory as soon as possible, without further input from MAMOKOTRA, by using computer disk material. In future collaborative research efforts of this nature (e.g. land tenure studies), project-funded local currency contracts should include clear scopes of work carefully reviewed by AID, DGP, and the local contractor, to avoid the sort of delays and misunderstandings encountered in production of the inventory. All such contracts should include a clause which requires concurrent submission of documents and reports produced by local contractors to both AID and DGP for review and approval.

2. Networking with International Agricultural Research Centers (IARC's) and Farming Systems Research Consultancies

The impact of initiatives under this heading (see Annex B) has been diluted by the dispersion of a number of discrete activities over a wide range of external institutions, without follow-on in-country. However, consultants' recommendations did satisfy AID's need to identify which research areas to support (or exclude from support) in the future.

A joint consultancy visit by Drs. Kauffman and Root of INTSOY was conducted to provide advice to FOFIFA and MPARA on collaborative possibilities in soybean research. Drs. Nygaard and Norman visited FOFIFA to review the status of Malagasy agricultural research, and to propose first steps for FOFIFA expansion into farming systems research, as input for FOFIFA's preparation of a National Agricultural Research Plan (to be completed by the end of 1987). Attendance at an IITA alley cropping workshop was funded for one FOFIFA trainee in March of 1986. Two participants (one from MPARA and one from FIFAMANOR, a GDRM parastatal for potato production) were sent to a July 1986 conference in Australia on potato research. One MPARA participant received project support to extend his USIS International Visitor tour in the U.S. to visit INTSOY.

On the whole, however, these activities have been time-consuming to program and implement, on the AID side, and participants' learning is not being disseminated to others in their ministries as much as it could be. Given the modest level of funding available for technical assistance and training under the MARS project, it would appear that, at this time, well into implementation of the first amendment to MARS, no further external follow-on activities should be undertaken under this category, and that funds remaining for these project elements be reallocated to other activities more central to current project implementation (e.g. agricultural policy dialogue, USDA workshops). The evaluation team recognizes that some promises may have already been made to ministries, and that it may be difficult to redirect remaining project funds when plans are underway. For example, plans are already being made to send one FOFIFA and one MPARA staff member to observe CIMMYT maize research in Kenya and Mexico. In other cases, planned external visits have been delayed, usually by ministries' slowness in identifying participants.

In the case of the ICRAF Agro-Forestry Workshop, certain GDRM officials do not appear to see the need at this time for the activity. Prior to start-up of the MARS project, ICRAF provided short term agro-forestry training for four MRSTD participants in 1985, and a follow-on consultancy in Madagascar later that year by staff member Dr. Baumer. During this trip, he assisted returned trainees to design two agro-forestry pilot projects, but only a few tiny and scattered initiatives have resulted to date from this contact. During discussions with the evaluation team, the MRSTD Secretary General expressed major reservations about hosting an ICRAF Agro-Forestry Workshop until such time as one or more substantial pilot projects have been initiated and have become well enough established to provide demonstration material and research results for dissemination. MRSTD has been allocated six million FMG to start-up a rice-related agro-forestry project on the outskirts of the Tuleara lemur reserve. With DGP concurrence, AID could provide local currency support to complement existing MRSTD resources for this or other pilot projects. It appears that the only dollar-related expenditure which might be programmed for MARS support at this time would be an ICRAF consultation to assist MRSTD with the start-up of one or more pilot projects. The Swiss are the major donors in the forestry sector in Madagascar; they appear to be extremely successful in organizing community reforestation projects using eucalytus tree plantations. Furthermore, the Swiss will be supporting a forestry workshop in late 1986, to disseminate their assistance approach. Agro-forestry research is considerably more complex than reforestation, and it has never been undertaken in Madagascar before. Since AID will not have dollar resources to support such

research as a major MARS initiative, the evaluation team believes that IRRI should take the lead in working with MRSTD on rice-related FSR research, including interface with agro-forestry as appropriate. IRRI's assistance in Madagascar is already supported by an AID-funded grant separate from the MARS project.

Recommendation: Where possible, funds remaining from this element of the original project should be re-programmed for other activities more consistent with the narrower focus of the project as it has evolved in the amendment phase. In particular, the evaluation team recommends that funds set aside for FOFIFA's visit to INTSOY, MPARA's visit to IITA, and the possible ICRAF workshop (a total of \$46,800) should be reprogrammed for high priority uses in support of successful past efforts, in particular a second USDA project appraisal workshop.

Recommendation: AID support for MRSTD agro-forestry research should be confined to local currency activities, supported if necessary by at most one or two MARS-funded TDY's by ICRAF advisors to assist with pilot project implementation, since follow-up resources for forestry interventions will not be available under the MARS project. The team recommends that further planning for an agro-forestry workshop be discontinued.

Two activities could be added to the MARS workplan to follow through on investments already made in IARC observation visits and FSR consultancies. During discussions with Mrs. Robertine Raharinosh at FOFIFA, she expressed interest in organizing an internal FOFIFA workshop before the end of calendar 1986 to provide an opportunity for those returned participants, who benefitted from IARC and research support from MARS, to share research methods and concepts observed with other staff members. The team strongly supports this FOFIFA initiative. Returned participants could present their findings, as a basis for discussion on the refining of on-going research trials, and as inputs to the National Research Plan currently in preparation. A session at this internal workshop could also be devoted to review and discussion of the Nygaard/Norman report and its recommendations for Malagasy incorporation of FSR methods and establishment of interdisciplinary research teams. The Nygaard/Norman report is available in French at USAID/Madagascar, and its distribution will be effected shortly.

Recommendation: That USAID encourage FOFIFA to conduct a seminar of returned participants, and that local currency be made available to support it, if needed.

A second follow-on activity involves participation in the review of the National Agricultural Research Plan. A major workshop on agricultural research will be hosted by FOFIFA, with other donor support, at the end of 1987 to provide a forum for review of this research plan. FOFIFA has requested that AID fund at least two external advisors who would participate in this review. The team suggests that Drs. Nygaard and/or Norman return for this review, since they have already acquired an understanding of Malagasy research methods currently in use. The MARS workplan budget includes \$25,650 which could be used to support this return consultation.

Recommendation: That funds be retained in the MARS workplan and budget to support the return of Drs. Nygaard and/or Norman for participation in the review of the National Agricultural Research Plan.

### 3. Agricultural/Census Statistics

Project funds for training in agricultural statistics were used to support a month of external training at BUCEN/Rwanda for two MPARA staff members in September 1985. Participants were well selected, including the head of the Computer Information Division and the head of the Analysis Office in MPARA's Methodology and Treatment of Statistical Information Service. Unfortunately, training content was not well coordinated with the trainees' immediate needs, based on the work which they were expected to undertake immediately after return to Madagascar. The Rwanda training focussed on methods of collecting agricultural survey material, rather than statistical analysis of material already obtained. By September 1985, the time of their training, MPARA had already completed its collection of national agricultural survey data for the decade, but analysis had not yet begun. Training in the statistical analysis of survey data was the trainees' own highest priority, to equip them for the tasks they were next to undertake. Nevertheless, the trainees were very enthusiastic about their Rwanda experience, and felt they had been exposed to a number of interesting survey techniques, such as the measurement of soil erosion loss. Unfortunately, their field experience was limited to only a one day site trip outside the Rwanda office setting. During the rest of their time in-country, they were programmed for self-study of Rwanda project reports, though they were encouraged to solicit explanations of this material from project staff whenever needed. The evaluation team noted that they had not received enough training to undertake erosion sampling or to use other methods to which they had been exposed. All dollar funds in the MARS budget for this type of training have now been expended, with the exception of \$3,000 in local currency. FAO is supporting two resident advisors in Madagascar to assist with analysis of the agricultural census, and the next census of this type will not take place until 10 years from now.

Recommendation: Given the magnitude of FAO assistance in agricultural statistics, no further follow-on support in this area should be programmed under the MARS project. Remaining local currencies should be allocated to other higher priority uses consonant with the narrower focus proposed for on-going and future MARS activities.

In February 1985, four USAID centrally-funded consultants studied Madagascar's statistical capability. As a result of their recommendations, two of the IBM micro-computers provided under the original MARS project were reserved for the Institut National de la Statistique et de la Recherche Economique (INSRE), along with technical assistance for for training in-country on the computers. In late 1985, INSRE acquired a new name (Banque de Donnees d'Etat, or BDE), job description, and director, who refused equipment and in-country training requested by his predecessor. MARS funds supported short term training at the U.S. Bureau of the Census (BUCEN) for three participants from the BDE. Trainees were exposed to U.S. population census methods, relevant to implementation of the national census planned by the GDRM for 1988.

During design of the first MARS amendment, BDE again expressed interest in obtaining two MARS-funded micro-computers, and funds were again reserved for their procurement. Based on discussion with BDE, however, the evaluation team is not convinced that BDE will follow through in a timely fashion on formally requesting and specifying U.S. computer equipment. To complete procurement under the first amendment on schedule, it will be necessary to redirect project funds for computers to another target ministry if BDE is unable to act decisively in concert with AID procurement guidelines within the next few weeks. Because of experience to date, there is likely to be continued opposition to IBM procurements on the part of BDE.

An additional technical reservation on procuring these computers emerges from BDE's planned use of micro-computers at the local level for the implementation of the 1988 census, and the role of UNFPA as the major donor likely to support procurement of census equipment. Though plans are still vague, BDE is likely to need a total of 14-20 or more micro-computers to implement this strategy, and this need can not be filled by AID resources. UNFPA is preparing to take the lead in assisting BDE to define specifications for census equipment, and financing its procurement; MARS-funded computers purchased in advance might not be compatible with the larger system which will eventually be put in place for the census in future. Plans are already underway for a centrally funded BUCEN workshop in Madagascar which would help train BDE staff in census implementation. Resources for the workshop are available under S&T/POP's Demographic Data for Development Project, though a formal BDE request and scope of work for the training has still not been submitted.

Recommendation: Future AID census assistance to BDE should be confined to centrally-funded BUCEN training, and the allocation of local currency generations, as appropriate, to census implementation. Any assistance along these lines should be carefully coordinated with UNFPA, the primary donor who will be supporting census implementation. BDE should be advised of AID's deadline for the submission of a formal request for the two U.S. micro-computers funded under the MARS amendment, and if BDE action is not taken prior to this deadline, the computers should be assigned to another ministry central to MARS implementation (MPARA, DGP, or MPAEF). The \$8,662 remaining in the original MARS budget for statistical consultancies should be reprogrammed for a higher priority use.

#### 4. Economic and Financial Analysis of Agricultural Projects

Project funds supported a four week workshop by USDA in September 1986, which trained 28 participants in concrete skills needed for the financial and economic analysis of agricultural projects. Half of the trainees were drawn from MPARA; the remainder included staff of DGP, MPAEF, the Ministry of Economy and Finance (MPFE), the Ministry of Industry, Energy, and Mines (MIEM), the Ministry of Defense (MINDEF), GDRM "think tanks" such as FIVOARANA and IMATEP, and the National Agricultural Credit Bank (BTM). Participants learned to use programmable calculators which were provided under the USDA PASA. USDA rated MPARA's local coordination and logistical support for the workshop as outstanding, and the trainees were extremely enthusiastic about course content and training methodology. USDA prepared an end-of-conference

evaluation report for AID and MPARA, in which it was noted that participant role plays and trainer simulations were particularly effective training methods. Trainees had considerably more difficulty absorbing the content of abstract presentations. USDA trainer Eileen Muirragui received high praise from both AID and MPARA for her ability to adapt standard USDA course content to the local context, and for her choice of participatory methods. Experiential training and concrete problem solving exercises were highly rated, though future follow-on workshops should budget more time for field trips to collect data which can then be analyzed in the classroom setting. This will allow trainees to gain a more in-depth understanding of the links between data collection and proper analysis. It is suggested that USDA use USAID PL480 counterpart project material for case study data. Workshop success and group spirit were facilitated by the full time participation and leadership of Mrs. Cecile Ramanitrera, head of the MPARA Programming Unit. Dissemination of training impacts was also facilitated by a weekly luncheon at which other administrative and supervisory personnel from the participating ministries joined the group. An outcome of the training was the imparting of a "common language" to participants from different ministries, an important contribution, since the fragmentation of agricultural development functions among a large number of separate (and rarely interacting) ministries, directorates, and parastatals is a major institutional impediment in Madagascar.

MPARA has requested follow-on workshops for its provincial directors and the heads of decentralized units at the next lower administrative level (the "circonscription"). BTM, a bank providing agricultural credit, has also requested a workshop in project analysis methods for its personnel. The evaluation team is concerned, however, that MPARA may have unrealistic expectations about the amount of decentralized training that MARS resources would be able to support, even under an optimistic scenario. MPARA will need to develop its own staff trainers to disseminate financial and economic skills below the provincial staff head level, and to reinforce USDA training with follow-on work sessions.

Recommendations: The evaluation team believes that MARS funds identified for reprogramming should be used to support a USDA follow-on workshop or workshops in financial and economic analysis of agricultural projects for bank staff involved in provision of agricultural credit, and/or MPARA staff from the six provinces and selected "circonscriptions". A major output of follow-on workshops, however, should be the training of trainers who can monitor trainees' post-workshop performance and conduct decentralized training. AMDF or second amendment funds might also be used to support in-country or U.S.-based short term training for these Malagasy trainers and/or their participation as facilitators in similar workshops delivered by USDA in other African countries. During the design of any follow-on workshop for Madagascar, USDA should be asked to interview past trainees and their supervisors, and to report on whether the skills taught have been absorbed and are being used by trainees.

##### 5. Social Analysis/Land Tenure Studies

Project funds reserved for training Malagasy in the social analysis of agricultural projects were reprogrammed during project implementation, since

the amount reserved (\$10,000) was insufficient to support training by consultants in Madagascar, and francophone short term external training in this subject was not available from a U.S. institution. The funds were used to support attendance by two DGP participants at a francophone management training course, with a rural development focus, at the University of Texas July-August 1986.

With AID/W funding, Dr. Lucy Colvin, under contract with the University of Wisconsin Land Tenure Center, took a first look at central plateau land tenure issues in Madagascar during a brief TDY. MARS funds remain unused in the amount of \$20,000 for more in-depth research and reporting. The evaluation team believes that land tenure issues are key social constraints to agricultural sector rehabilitation in Madagascar. In view of the potentially sensitive nature of these studies, the team consulted MPARA, FOFIFA, DGP, and MAMOKOTRA on whether these studies should still be undertaken. Individuals at all of these institutions agreed that the studies should proceed, using a collaborative U.S./Malagasy research mode. MPARA believes that its Agrarian Reform Service should be part of this inter-ministerial effort. FOFIFA hopes to program region-specific land tenure research into the National Agricultural Research Plan which is to be completed by the end of 1987. DGP has reaffirmed its desire for MARS support for land tenure research, and believes that the Malagasy expertise for this collaborative effort can best be recruited through a local "Bureau d'Etude". One such institution, MAMOKOTRA, has already performed well under the MARS project as APAP's collaborator in the production of the inventory of Malagasy agricultural documentation. A number of documents in that inventory deal with agrarian reform and tenure; these documents need to be reviewed and analyzed before University of Wisconsin Land Tenure Center assistance can be used effectively for any new investigations.

Recommendations: Project local currencies should be used as soon as possible to support MAMOKOTRA analysis of land tenure documents identified by the MARS inventory, under a new DGP/MAMOKOTRA contract. This report should be reviewed by the University of Wisconsin Land Tenure Center as the basis for development of a scope of work for a MARS-funded collaborative land tenure study. The \$20,000 reserved for this activity should be used to support this work. It may be appropriate to reprogram some other MARS funds for land tenure studies.

#### 6. Labor Intensive/Earth Roads

MARS funds for technical assistance and training for this project component have not been expended to date, but the evaluation team believes that selective promotion of low cost upgrading of farm-to-market rural roads remains an important activity for MARS. Related activities are supported by the commodity import component, under which Caterpillar spare parts for road repair equipment are being imported and distributed to both public and private sectors.

At present, training in labor-intensive upgrading of provincial roads is being provided through British ODA collaboration with MTP on a pilot construction/training site between Andramasina and Ambohimadana (approximately 74 km from Antananarivo). MTP construction supervisors (heads of canton and section road crews) spend two weeks in the project's training center, and then move to the pilot construction site for two-three months of supervised on-the-job training. Four British engineers are funded to assist

with the training under ODA contract with the U.K. engineering firm of SWK (Scott Wilson Kirkpatrick & Partners). Actual on-site construction began 2 1/2 months ago. At present, 16 MTP supervisors have almost completed their on-site training, and 4 more trainees will soon complete the classroom portion of their training. Locally-hired day laborers are providing the manual labor. To date, construction funds for the pilot site have been supplied by the MTP budget, but now the pilot project's low costs, high quality work, and job creation impact are attracting Antananarivo provincial authorities to fund extension of the labor-intensive methods to other feeder roads in the area. As a first MARS-supported activity in this sector, up to five MTP trainees will visit labor-intensive road projects in Lesotho and/or Burundi, which have been underway for a number of years. The \$12,000 of MARS training funds will be used to support this study tour.

Hand tools needed for the technology promoted are very basic (hoes, shovels, sledge hammers, and picks) and they are produced by local blacksmiths using artisanal methods. Families active in this trade in Madagascar have used the same technologies of tool production for generations; they are concentrated in a belt which runs through the training site to the east of Antananarivo, in an area of iron mines. Nowadays, most of the raw material used in hand tool production is scrap salvaged from wrecked vehicles. Stronger hand tools than those currently being produced by local artisans are needed to adequately supply the project and allow replication of the technology within the private sector. Local artisanal production could be upgraded to an acceptable design and quality standard, if MARS-funded consultants could be brought in to review artisans' choice of materials and production methods, and to recommend innovations in local tool production as needed. For example, this intervention could be undertaken by ORT, a PVO with experience in implementing rural road projects for AID in Zaire and elsewhere, with a track record in technical vocational training.

Recommendation: Once costs are known for the the MTP training visit, remaining funds for this component (up to \$47,000) should be used for a consultancy or consultancies to advise local artisans on appropriate ways of upgrading road-related hand tool production. ORT may be the most appropriate organization to provide this consultancy. The REDSO Engineering Office should be asked to provide a scope of work.

### C. Namakia Bridge

The Namakia bridge components, budgeted for \$1m, have not yet been imported. Soon after the original Grant Agreement was signed and steps were taken to initiate procurement, it was realized that implementation of the bridge construction activities would be more management intensive than anticipated during original design. For a number of reasons, there have been delays in implementation.

An Invitation for Bids document was advertised and released in August 1986 in the United States, with a bid opening date of October 15, 1986. It is anticipated that a maximum of six potential suppliers will participate in the tendering process. Bidders are required to visit the project site prior to submitting their bids.

Using local currency budgeted under the project, the Ministry of Public Works has awarded a contract to a construction firm to build the bridge substructure, and the contractor has proceeded with an amount of off-shore procurement for building materials. A source and origin waiver has been issued to cover up to \$200,000 of Code 935 cement and steel; however, it is expected that these commodities will be ultimately financed by the World Bank.

It is too early to evaluate this activity. The evaluation team suggests an internal REDSO/ESA review one year after construction. In addition, the evaluation team would like to comment that, due to the inconsistency between this procurement and the purpose and objectives of the MARS Project, no additional bridge components should be purchased under this project or any follow-on project.

18.        PURPOSE

The purpose of the MARS project and Amendment No. 1 is:

to support the rehabilitation and mid-term recovery of the agriculture sector in Madagascar, through:

- a) increased foreign exchange allocations for imports of key agricultural and rural transportation inputs required for the rehabilitation effort; and
- b) short term technical consultancies supporting better information systems and analysis leading toward better policy determination and selection of project priorities.

After 17 months of implementation, this purpose statement continues to be appropriate, and each MARS phase (the original project and two subsequent amendments) can be said to support achievement of this purpose through a two-pronged effort providing commodity imports and technical assistance/training. The end-of-project status conditions outlined for MARS -- increased availability of key agricultural and transportation inputs in rural areas, and improved economic policies affecting agricultural production -- represent conditions which should co-exist with purpose achievement.

It is worth noting, however, that the extent to which a trained participant or a consultant is able to influence a given policy, management or investment decision will very likely increase as the project focuses more closely on a smaller number of activities. Thus, the "support" provided to policy determination and selection of project priorities referred to in the purpose statement is more likely to refer to specific achievements in the case, for example, of the parastatal studies component funded under the amendment, than in the case of some of the smaller consultancies and training funded under the initial project.

Rehabilitation and recovery of the agriculture sector will, however, take longer than two or three years, and thus will require continued support. Furthermore, certain factors external to the project must continue for the purpose to be achieved, as AID alone cannot stimulate favorable policy

decisions and implementation of desirable policies in the sector. First, the positive policy developments reviewed in Section 15., above (External Factors) and in the recent CDSS up-date, should continue on the part of the GDRM. Secondly, AID support for policy development and institutional improvements in the sector must be seen in the framework of the World Bank Agricultural Institutions II project, which is laying the groundwork for broad capability in data collection and analysis, management of agricultural institutions and overall policy implementation in the sector.

The project purpose in the second amendment, for FY1987, should be one which continues to help ensure the success of Madagascar's liberalization program in the agriculture sector, especially the rice sub-sector. As pointed out in the CDSS up-date and the recent ABS, recent policy decisions must continue to be clarified within the GDRM, and a number of implementation steps taken. The MARS Amendment No. 2 (along with other aspects of the AID program) should assist in this process through policy dialogue and discussion, support for required commodities, and assistance with privatization of service provision.

19. GOAL

The project goal is to increase agricultural production, productive employment and real income.

It is premature to claim any direct contribution toward this goal on the part of the MARS project activities. The potential contributions toward the goal by original and project amendment activities are discussed below.

Within the original project, the magnitude of the CIP (\$3,460,000) and its nature (provision of production-related equipment) make likely an eventual production-enhancing impact upon end-users and other, indirect beneficiaries, hopefully small farmers. A survey of beneficiaries of the CIP component has been recommended (see 20., below) and results of the survey should indicate whether or not the commodities imported by the project (including under the amendment) ultimately contribute to increased production, and whether additional imports would be likely to have similar effects on other beneficiaries.

As for the policy and institution building activities from the original project, little direct contribution toward the goal can be expected, for several reasons. First, this aspect of the project should be seen as the initial step toward a long term process of affecting, in concert with efforts of other donors, progress in overall sector policy, agricultural sector analysis and planning, and research priorities, consistent with production and income goals. The MARS project began approximately 17 months ago, and is structured as a series of one-year amendments to a one-year project. In comparison, the ZATPID project in Zambia, which started in 1979 with just under \$10 million devoted to support for training, policy development and institutional improvement, began to bear fruit in terms of specific, positive policy decisions after 5 years of implementation, and a follow-on ZATPID II project will continue the effort for another 5 to 6 years. It will only be with continued support in the sector, from USAID and other donors, that such benefits should be expected in the Malagasy setting.

20. BENEFICIARIES

A. Beneficiaries of the Commodity Import Component

The beneficiaries and benefits of this component of the project have been identified on several levels. The firms and individuals who obtain new tractors and spare parts will be better able to improve their capabilities in agricultural production. Likewise, road maintenance and construction is essential for the provision of agricultural inputs and the marketing of agricultural production; the provision of spare parts for road construction equipment appears to be improving access to inputs and markets. Furthermore, private sector firms benefit from the availability of foreign exchange and are able to capture better shares of the market, and imports of U.S.-manufactured products increase. Finally, the government as a whole can use the foreign exchange which would have otherwise been needed for these imports or for other productive purposes.

One difficulty, however, with coupling project-type objectives or CDSS target beneficiaries with a CIP activity is that final purchasers of commodity imports, the clients of private sector importers and an ideal beneficiary, may only be tangentially related. The MARS Project chose therefore to work with particular sub-sectors, since restricting sales to specific types of beneficiaries would have been difficult to implement and monitor. Likewise, the project did not wish to change the standard commercial procedures of the importers or to restrict the program to such a degree that monies would not be disbursed. Since the MARS Project was AID's first project involvement in Madagascar in several years, efficient disbursement was of particular concern.

While understanding the nature of design considerations which structured the CIP component, it is nevertheless important to examine the resulting composition of beneficiaries. The following beneficiaries have been identified:

(1) Tractor imports

The primary benefit of providing foreign exchange for new tractor and spare parts imports is that the equipment will primarily serve the agricultural sector throughout the country. Discussions with the Ford importer indicated that, of the initial 26 tractors which were delivered in June 1986, 14 tractors were sold to private farmers with less than 100 hectares, 3 tractors were sold to private farmers having 300 to 400 hectares, 6 went to SIRAMA (parastatal sugar farming), and 3 were sold to SORIFAMA (parastatal rice and corn farming). Tractors went into the areas of Lac Alaotra, Tulear, Nosy Be and Antananarivo. No formal end use audits or field visits were made by the evaluation team, however such surveys could usefully be made during early 1987, when more commodities will be in place.

The Ford importer indicated that recent liberalization of rice prices has motivated private farmers to replace aging agricultural equipment, and Ford anticipates that 1987 will be a very good year for retail sales of new equipment. Ford added that the CIP has benefited their firm enormously, since

foreign exchange had not been available for several years prior to this program for any significant quantities of equipment imports. Through this program Ford was able to recapture a market share with a very high quality, U.S. manufactured product which has a wide range of appeal in Madagascar. The financing has resulted in Madagascar's first sight of new U.S.-manufactured tractors in many years. Ford indicated that the new tractor imports have received significant attention in the market and have stirred competition among private farmers who now wish to replace their old equipment, as their neighbors have done.

The only setback the importer fears is that of recent devaluation, which will require increased local currency deposits into the special account, and will force an increase in retail prices for outstanding shipments of 17 tractors and spare parts. Sales of commodities to be imported are likely to be affected by an additional 15 percent devaluation expected by the end of 1986. However, the importer is confident that products will nevertheless sell quickly due to their high quality. In an effort to promote the new products the importer held an official reception for the initial shipment, getting excellent press coverage of the event. Since that time Ford has increased radio, television, and newspaper advertisements, participated in a local trade fair and actively promoted the products in house.

(2) Road Construction Equipment Spare Parts

Beneficiaries of these imports may be classified as both direct and indirect. Obviously, the private sector importer and the retail purchasers are the most direct beneficiaries. The Caterpillar parts importer felt that the most critical benefit was that this program had assured the continuous availability of critically needed spares for Madagascar, by providing necessary foreign exchange which otherwise might not have been available. Caterpillar indicated that, since June 1986, it has not been possible to get foreign exchange allocations for spare parts from the Central Bank, and that the firm had relied totally upon AID financing to maintain spare parts supply operations. Likewise, the program has alleviated GDRM obligations to provide the importer with an amount of foreign exchange which could be used by the GDRM for other productive purposes.

Caterpillar indicated that it is critical to Caterpillar's operations that they be able to maintain a constant supply of equipment and spare parts in order to maintain their market position. Apparently, the Japanese Kamatsu Corporation has been trying to enter the Malagasy market with equipment which is very similar to U.S. Caterpillar products. The Caterpillar importer believes that Caterpillar can completely retain their position in the marketplace, as long as they have access to sufficient foreign exchange to bring in new equipment and spare parts. However, some Kamatsu equipment has recently been coming into Madagascar through Japanese bilateral aid programs, therefore making Caterpillar particularly anxious at this time in maintaining operations.

There has been a small degree of U.S. Caterpillar import substitution over European-manufactured Caterpillar products as a result of AID's source and origin requirements. Caterpillar indicated that 70 percent of the parts which are being imported from the U.S. under this program are also manufactured in

Europe; therefore, Caterpillar has increased the U.S. content of parts orders to comply with their Letter of Commitment.

While it was not possible to survey the field to locate end users of spare parts, the Caterpillar importer supplied the evaluation team with the following indicative breakdown of retail purchasers:

- 40% - Private Sector Road Construction Contractors
- 30% - Public Works, Parastatal Quarry Operations,  
and Parastatal Farms
- 15% - Private Sector Quarry Operations
- 10% - Large Scale Private Farming Operations
- 5% - Private Sector Forestry Operations

The importer estimates that, of the Caterpillar equipment owned by entities other than the Public Works ministry, approximately 90 percent is used for the construction and maintenance of secondary and feeder roads which provide access to businesses, operations and work sites. Equipment is used in clearing operations and soil preparation for the remaining 10 percent.

The importer indicated that a significant amount of secondary access roads are being constructed and maintained in rural areas of Madagascar using Caterpillar equipment and spare parts. Road infrastructure throughout Madagascar is therefore served. Likewise, farmers living in rural areas make use of improved roads to market their agricultural products and to obtain agricultural inputs at reasonable costs.

### 3. Survey of Beneficiaries

Given the relative magnitude of financing provided under the project for the CIP, and the potential contribution of the commodity import component to project and CDSS objectives, the evaluation team feels that a representative field survey of end users and end use functions should be conducted at an appropriate time. Such a survey would better define beneficiaries, both direct and indirect, and production-related benefits of the commodities. For example, it might be determined whether rental of tractors is affecting even smaller farmers, thus providing indirect benefits, or, whether spares for road equipment are producing better farmer access to inputs and markets.

Recommendation: The evaluation team recommends that such a sample survey take place prior to the design of the second project amendment.

In addition, it should be noted that both the original project paper and the amendment specify that specific monitoring activities will take place, including assuring that the documentation flow for commodity procurement is smooth, and recording the end-users of those commodities procured. Such information is specified in the evaluation plan as necessary so that beneficiaries of the imported goods can be assessed. The distributors have, as required, been keeping information on each purchaser. However, the information has not been kept in a systematic fashion and has not been submitted to AID on a regular basis.

Recommendation: It is recommended that the importers be supplied with a simple consumer survey and report form which could be completed with each retail sale and returned to USAID and the DGP in order to provide updated information on beneficiaries. A sample form is included as Annex C of this evaluation.

B. Beneficiaries of the Policy and Institutional Development Component (Training and Consultancies)

1. Identification of Beneficiaries and Benefits

As identified during project design, beneficiaries were to be a cadre of official personnel, mainly in government, who receive short term training in topics related to their jobs, and who would benefit from increased knowledge and skills and increased capabilities in job performance. It was anticipated that approximately 170 persons would be trained during the course of the original project. Because of the nature of the project in supporting overall policy improvement in support of economic liberalization, it was stated that, indirectly, Malagasy farmers would benefit from the project's technical assistance and training.

To date, approximately 60 persons have benefitted from two seminars held in country, and 11 people have been sent outside the country for short term training. This is somewhat less than that anticipated in the design. The bulk of the trainees have been in mid-level positions in ministries, primarily MPARA. In addition, a number of higher level officials and business persons have been reached through informal policy dialogue. With the seminar activities likely to be implemented during the first Amendment, at least 50 additional persons should benefit.

Target groups identified for the second amendment and any future, similar activities are, similarly, policy makers and ministry personnel at middle levels involved in implementation of policy. Indirectly, producers and those involved in input provision, marketing and processing should benefit from continued economic liberalization. Inasmuch as the project will focus on particular actions to privatize government or parastatal functions, it may be possible to identify key decisions made and positive results from MARS-funded consultancies and training.

2. Problems to Date and Ways to Improve Impact

Because of the diffuse nature of the project, with activities numerous, small and discrete, project benefits have been scattered through a wide range of institutions and probably should not be claimed as having significant impact on most of the beneficiaries touched by the project. For example, it would be difficult, in the case of high level policy makers, to claim that a particular policy or investment decision -- ultimately affecting production -- was the result of participation in a MARS seminar.

Those who have received short term external training may have been able to benefit their own careers, but the effectiveness of the training has been limited in that there has been no systematic dissemination of new information received. In the future it is planned that these participants will meet to

discuss their training. With any additional short term external training funded under the current or next amendment to MARS, clear linkages to post-training uses of new information should be established, such as in the case of training staff involved in managing parastatals, who would return to continue working with the MARS-funded parastatal divestiture effort. Another example would be training trainers in the methods used by USDA for project appraisal training.

Under the category of in-country training, the USDA course was well received and highly evaluated by participants as imparting useful skills. However, actual skills transfer will be limited due to limited follow-up with participants, and due to the fact that they return to work environments which do not permit easy application of new skills. The long term benefit of the USDA training will be greatly enhanced if USDA can return, work with some of the same individuals, transfer training skills to selected Malagasy, and set up a regular relationship between themselves and MPARA or another institution.

The agricultural policy seminar funded through APAP should be more beneficial in the future as the course becomes better structured, results are more widely disseminated, and APAP consultants establish a "presence."

Experience to date with MARS in-country training suggests that benefits will increase if: (1) seminars and workshops focus on one or two target groups; (2) trainers set up ongoing relationships with Malagasy institutions, and (3) USAID takes steps to ensure that results are more widely disseminated.

### 3. Social Analysis Issues: Land Tenure

It was originally intended that MARS would fund training in social analysis for ministry personnel in MPARA. This activity was discontinued when a search revealed that affordable training in French would not be available. Such an activity does not appear to be a promising focus for the future. On the other hand, while funds under the category of "land tenure" have not yet been expended, the evaluation team feels strongly that they should be held for future use, as government delays have been with good reason (see Section 17.). The topic is considered important by many of the people with whom the evaluation team met, and it is potentially so important to farm production that it is worth incorporating in MARS. Hopefully, a local consulting firm can work closely with U. S. experts in this area.

### 21. UNPLANNED EFFECTS

Given that the MARS project was an initial and modestly funded effort in the area of AID agricultural sector support to Madagascar, it is too soon to see major impacts. This is especially the case given the "smorgasboard" nature of the initial consultancies and training, and the fact that this aspect of the project provided small amounts of support to at least five different ministries. With the shift toward a more focussed approach in the amendment phase, and with continued commodity support, significant effects should be seen.

22. LESSONS LEARNED

A. Technical Assistance and Training

1. Breadth of Focus: Management Burden

The project was originally expected to require minimal project management time. Project designers expected that the APAP contractor, Abt Associates, would implement the full range of technical assistance activities: study tours, policy inventory, seminars, external training, with the possible exception of the project appraisal workshop (for which a separate contractor was likely to be needed). Early in project implementation, it became clear that most activities, with the exception of the policy analysis seminar, the related consultancy by Dr. Berg, and the preparation of the agricultural documentation inventory, would be beyond the scope of the APAP project. Thus, management of the IARC study tours, FSR consultancies, land tenure studies, consultancies and training on labor intensive road construction and maintenance, statistical training, and project appraisal workshop all became activities requiring management-intensive field implementation actions. The REDSO project development officer was only able to spend approximately 16 workdays per year actually assisting with MARS implementation in Madagascar, plus some additional backstopping in Nairobi. AFR/PD/EAP provided additional assistance in project implementation (e.g. recruitment, briefing, and debriefing of consultants and USDA, and production of the IFB for Namakia Bridge). A project with MARS' range of discrete project implementation actions requires a regular project manager in Madagascar. The process to date of filling the gap with contributions from several local contractors and FSN staff (full and part time) has resulted in a lack of cohesion in project monitoring and financial tracking. No individual has had the responsibility, time, and information to oversee the total picture of implementation status at any point in time. As a result, it was only during the evaluation that accurate figures on funds expended versus those available for reprogramming were assembled for each budget line item. Funds actually remaining for some activities (e.g. training in census implementation for the BDE) were substantially lower than figures previously communicated to the GDRM in some cases, and higher in others (e.g. for agricultural policy analysis activities).

A new software package is now available from IRM (Information Resource Management) in AID/W for tracking the timing of interrelated tasks. The "Timeline" software and training in its use is available from francophone IRM staff, who have already conducted TDY's in the Sahel for this purpose. This training could possibly be provided to both AID/Antananarivo and DGP by IRM trainers funded by IRM's own OE budget, but this would need to be explored with AID/W. Also, more detailed financial tracking of the project, consistent with the format used by RFMC, would enable the Antananarivo project manager to keep a clearer picture at all times of the status of reservations and expenditures.

2. Breadth of Focus: Diffusion of Impacts

Project impacts have been diluted by the diffusion of interventions over too wide a range of substantive issues and discrete training events without

resources for follow-on activity. The evaluation process provides the opportunity for reassessment of those activities not yet completed from the FY 1985 original workplan, so that priorities can be set, activities of lesser importance and impact eliminated, and remaining funds reprogrammed in support of the narrower range of targets which appear to be essential for MARS continuation. The evaluation team believes that, insofar as possible, funds still not expended from the original (FY 1985) MARS budget should be directed towards following through on support for labor-intensive rural roads, land tenure studies, and additional USDA training in economic and financial project appraisal, only three of the long list of original activities included in the PP. The "smorgasboard" approach originally designed into the technical assistance and training portion of MARS was useful for opening doors for AID within the sector, and initial relationships were established with key staff within a wide range of institutions. This phase should now end so that funds can be directed towards more in-depth skills transfer and research essential for sectoral planning and privatization. However, to maximize MARS findings, it may be useful to provide local currency support in areas unselected for amendment foreign exchange inputs. For instance, in agroforestry additional consultancies and training seem premature, but local currency to develop demonstration projects appears appropriate. Although additional IARC visits seem untimely for inclusion in MARS amendments, local currency support seems useful for a seminar to disseminate findings from previous IARC trips.

The first amendment initiated a narrowing of focus by limiting FY 1986 technical assistance and training funds to a second year of dialogue on agricultural policy (with a rice focus) and initiation of studies on parastatal divestiture. During design of the second amendment, emphasis needed for follow-on activities should be reassessed, and priorities redefined even more narrowly if possible. At this time, it appears that second amendment funds should be limited to support for year 3 of policy dialogue, year 2 of parastatal divestiture studies, and initial studies on private sector agricultural services. Privatization efforts could easily be spread over too wide a range of topics and geographic areas. At this time it appears that the the transport sector, in which AID is already active, should be the focus for private sector studies, and that the CDSS target of rice self-sufficiency should be kept in the forefront in planning these studies. MARS evaluations should be planned to continually refine the focus for AID's limited resources.

### 3. Target Institutions

A wide range of institutions have been touched by MARS technical assistance and training activities to date: DGP, MPARA, MPAEF, FOFIFA, FIFAMANOR, MAMOKOTRA, BTM, MPFE, MIEM, MINDEF, FIVOARANA, and IMATEP, but these contracts have been rather superficial. Changes in external factors, as discussed earlier in this evaluation report, have awarded MPARA the central role in promoting rice self-sufficiency (e.g. recent addition of responsibility for managing the new rice buffer stock), thus the team recommends that MPARA become the major institution targeted for remaining FY 85 technical assistance and training funds. Under the first amendment, activities will primarily be directed towards MPARA and MPAEF, with a wider range of institutions involved only in the policy dialogue activity. Design of the second amendment should build on this foundation, and avoid scattering of institutional support.

#### 4. Donor Coordination

Effective targeting of AID's modest level of resources for the Madagascar country program requires continual interface with other donors, to ensure that that MARS activities complement but do not duplicate other donors' programs. In each of the areas of MARS activity, another donor has been offering a higher level of support than MARS could provide (e.g. FAO has the lead in agricultural statistics, the Swiss in forestry, World Bank in the strengthening of agricultural institutions, ODA is supporting the labor-intensive road repair program, and UNFPA is gearing up for major support for the census). Our inputs can be most effective if they are used to bridge gaps in larger efforts that are magnified by the presence of other donors' funding.

#### 23. SPECIAL COMMENTS

##### A. AID Management Considerations

The evaluation team has found that project activities have been more management intensive than anticipated during initial planning for the project. At the same time, staffing limitations have precluded the assignment of a project manager to coordinate all components of the project.

In the case of the consultancies and training activities, it had been originally thought that the contract with APAP would provide for some management assistance to USAID/Antananarivo, but this did not form part of the contract with APAP, and in any case would probably have proven to be a cumbersome arrangement. These activities have been very management intensive, divided, as they have been, into numerous separate implementation actions, requiring separate documentation, ground-laying with relevant ministries and the GDRM, arrangement of visits, active participation by mission representatives, and follow through. Consultancies and training have been managed by a part-time U.S. contractor, with assistance from the Projects Office and technical offices of REDSO/ESA, as well as AID/Washington (AFR/PD). Where slow implementation of this component of the project has occurred, it has been in part due to the lack of an assigned project manager. (To some extent, delays would have been expected in any case, given that the program was new to Madagascar and the topic somewhat sensitive).

As for the commodity procurement component, consideration was given to the limited availability of AID management staff in Madagascar, so that the commodity mix has continued to be streamlined in order to simplify the program and to ease the implementation burden. Nevertheless, one local hire person was brought on for six months to manage the initial startup, and help to set up commodity import procedures with the GDRM and the importers. Since that time a second person (Malagasy) has been contracted whose job includes, in part, management of the commodity component. Approximately 30 person days during the first year were spent on implementation by the REDSO/ESA/RCMO during periodic visits to Madagascar and in Nairobi, since project inception. These implementation arrangements are working smoothly, especially since a workable set of procedures are now in operation. It is anticipated that this level of management support will have to be continued to manage a continuing commodity import activity.

Recommendation: That the second direct hire position at USAID/Antananarivo be filled as soon as possible, and that this person's assigned tasks include MARS project management. REDSO assistance in procurement and other areas, and assistance by other mission staff (non-direct hire) with implementation of the project should continue, but should be coordinated by this project manager. It is recommended, as well, that the slot be filled by an experienced Project Officer (Backstop 94).

B. GDRM Management

The MARS Project's key contact for project management in the GDRM has been the Direction General of Planning (DGP), responsible for coordinating project inputs for technical ministries. This arrangement has worked more or less smoothly, and has been necessary since several different ministries concerned with agriculture (MPARA, MPAEF, and MRSTD) have been participating in project activities. However, DGP's support has proven tenuous at times because:

(1) The DGP project manager has often been unavailable for MARS business. He had prime responsibility for preparing GDRM reports for the April 1986 donors meeting, and was ill between May and June. During his convalescence he delegated no one to sign USAID implementation documents. Working relationships with USAID were understandably strained.

(2) Delegation of decision making in DGP is limited. The Director General takes responsibility for initiating and finalizing many MARS activities. However, he frequently travels outside the country. When he does, activities in full implementation, such as planning for the agriculture policy seminar, come to a halt.

(3) DGP's coordinating role in the project has suffered from tensions between itself and the technical ministries. DGP resents the lack of disciplined planning in the technical ministries, who DGP feels tend to make last minute requests for MARS assistance. The technical ministries, on the other hand, feel DGP makes decisions without heeding their advice. USAID sometimes finds itself caught in the crossfire, unable to gather information required to implement MARS.

During MARS implementation, USAID has used AMDP funds to sponsor two in-country development administration/management workshops for DGP staff and technical ministry counterparts. This training is helping the DGP to analyze and solve management problems mentioned above. Also, DGP implementation of MARS would probably be enhanced by better planning, with implementation according to set objectives, tasks, timing and priorities. Establishment of such an implementation plan collaboratively with USAID would benefit both parties. It might be appropriate for both USAID and the DGP to be trained in the use of appropriate software for project management.

Recommendation: That AID/W/IRM be approached with the request to provide software and training, if needed, in Antananarivo, for both USAID and DGP staff involved in implementation of project activities. The training, if provided, should reach as many people as possible in the two organizations involved in implementation of USAID-funded activities. Time line management software might be particularly appropriate in this case.

The DGP has recently requested that project counterpart funds be used to fund staff to assist with project implementation and financial management. It is unclear to the team and to the mission whether or not there is need for additional staff to undertake these tasks. It is possible that programming and monitoring of CIP local currency generations might require this supplement to DGP staff.

Recommendation: That USAID critically review this request with the DGP, and carefully consider actual needs prior to any agreement to fund extra staff.

C. Relationship to AMDP

MARS and AMDP training have been complementary. Thus, a mix of MARS and AMDP funds sent three BDE staff to BUCEN to study national census preparation. A combination of AMDP and MARS in-country workshops have taught USAID and the GDRM how to launch cost and learning effective programs. Indeed, AID and the GDRM at first used project funds to hire local consulting firms to organize training program; now they are finding that certain technical ministries are capable of this organization, and willing to work for their regular government salary, without charge to the project. Training to follow-on from initial MARS funded training (e.g. USDA) may in the future be channelled through AMDP.

D. Project Strategy: MARS Amendment No. 2

The evaluation team is in agreement with the statement in the recent ABS (made with reference to a proposed new project to follow MARS) that the project should continue to help ensure the success of Madagascar's liberalization program in the agriculture sector, especially the rice sub-sector. It has already been recognized that, in order to make the most of the price and other incentives under liberalization, better farmer access to commodities and services is required. The MARS Amendment No. 2 should assist in this process through continued policy dialogue and discussion, support for required commodities, and assistance with privatization of service provision.

A continuation of the commodity import component through the private sector is a necessary element of MARS, since rehabilitation of agricultural production will continue to require equipment such as market transport vehicles, tractors, and spare parts to keep such equipment well-maintained. Road maintenance equipment is equally important, since roads must be well-maintained to ensure provision of inputs and marketing of outputs. The demand for additional commodities under these categories has been shown elsewhere in this evaluation (Section 17.). Implementation of commodity import should run smoothly, since effective procedures are operational.

The technical assistance and training component of MARS should continue and should focus on a small number of key activities which are part of longer term interventions to improve policy making and policy implementation, and encourage specific privatization decisions. Much more than before (but consistent with the original strategy for the project), further MARS activities under this component should support in-depth studies of problem areas identified for action, conducted in collaboration with Malagasy in relevant government institutions and the private sector.

Under technical assistance and training for the second amendment, three categories of activities can be outlined:

First, the efforts at agricultural parastatal divestiture, initiated under the first amendment, should be continued in close collaboration with the World Bank. A general budget for year two of parastatal divestiture support is available from previous planning documents. However, specific activities can be better outlined following submission (by October, 1987) of the report prepared by the consultant who has just visited Madagascar to define a scope of work for this program.

Second, efforts should be initiated to assist with the privatization of certain services to farmers which are now provided wholly by government. Suggestions for this new thrust for AID support have been made in the February, 1986 Berg report, and in the recent ABS, and activities in the transport sector appear to be most promising. Under central funding, an initial TDY to define a strategy, suggest sub-sectors for focus, and propose a scope of work for the first year of support will be undertaken before the end of 1986. This first year should be broad based, and consist of several studies, conducted in collaboration with the GDRM, to set priorities for further analysis of specific services, with an eye toward ultimate privatization. It is hoped that later investment support might be linked to the World Bank planned credit facility, which AID may assist through local currency.

Third, these two areas of focus should be conducted in the larger context to be provided by selected activities which promote continued policy dialogue and discussion. These activities will assure that support and understanding within the GDRM of economic liberalization measures is maintained and strengthened. A high level advisor should make a return visit, and selected seminar activities may be appropriate under the APAP umbrella. Details should be worked out after the TDY this fall by the APAP consultant and examination of options for reformatting of the policy seminar, as discussed in Section 17., above. In addition, continued funding of seminars for mid-level personnel in selected institutions (including agricultural bank personnel) to broaden the skills required to understand and implement policy changes (e.g. project analysis) should be considered for funding through additional USDA in-country training. (This last item might be funded though AMDP instead of MARS).

E. Project Budget Considerations: MARS Amendment No. 2

The evaluation team has reviewed funding requirements in order to implement the commodity import component and the three-pronged technical assistance and training (technical support) component outlined above for the second amendment. Based on information from AID/Washington, we are using a planning figure of \$3,000,000 for the FY 1987 amendment. We see the balance between CIP and technical support as follows: up to \$2,200,000 for the CIP, and approximately \$800,000 for technical support. A decision on the level for the CIP should take into account findings from an end-use survey as recommended in this evaluation. If funding constraints limit the total available for the amendment (e.g. a shortage of ESF funds in FY1987), at least \$650,000 should

be retained for a basic package of technical support activities, which provide the overall context for sustained AID support to continued progress in liberalization.

The suggested budget for the technical support component is as follows:

Private Studies (Year 1)	\$150,000
Parastatal (Years 2 and 3)	\$500,000
Policy Dialogue and Training (Year 3)	\$100,000
Support Commodities	<u>\$50,000</u>
<u>TOTAL</u>	\$800,000

A final breakdown by item should await: findings of the initial private sector studies TDY; the parastatal scope of work; and AID review of evaluation suggestions regarding policy dialogue and project analysis training, along with the upcoming TDY by the APAP consultant.

LIST OF PERSONS CONTACTED

DGP (Director General of Plan)

Raobelina Rivo  
Davidson Ramanandraibe (trainee)  
Mamy Ratolonjanahary (trainee)

MPARA (Ministry of Agricultural Production and Agrarian Reform)

Cecile Ramanitrera  
Martine Rasolonjatovo (trainee)  
Jean de Dieu Rasoamiaramanana (trainee)

FOFIFA/MRSTD

Henri Rasolondraibe (Secretary General, MRSTD)  
Robertine Raharinosh  
B. B. Shahi (IRRI Project)

BDE (State Statistics Bureau)

Armand Randrianarivony  
Jocelyn Yves (trainee)  
David Rabemanantsoa (trainee)

MTP (Ministry of Public Works)

Lindsay Thomas  
Andriatianarivony Razafindramanana

Private Sector

John de Jaeger (Caterpillar - Fraise)  
Herizo Razafimahaleo (Caterpillar - Fraise)  
Mr. Narigaona (Landis - Ford)

World Bank

Jose Bronfman  
Tina Kimes  
Josue Tanaka

U.S. Embassy/Antananarivo

Ambassador Patricia Lynch  
Thomas Morrow  
Robert Tynes  
Henrietta Ralalaharisoa

USAID/Antananarivo

Sam Rea  
Julie Rea  
Gerard Rakotondrainibe

Other

Graham Todd (Coopers and Lybrand consultant to MARS)  
Jean Rabeson and Claude Ratsimbazafy (Mamokotra, a Malagasy consulting group)



NPAEF Parasitologist	3.5	55.0	0.0			MPARA	Res/Female	IGC			
Contingency		25.5	6.0								
Subtotal (A)		405.5	66.0	--	--	405.5	66.0				
Subtotal		709.5	100	187.2	9.0	517.4	91.0				
<b>II. TRAINING</b>											
EUCEN (Rwanda)	1	4.0	4.0		0.0	EUCEN	Res	Complete			2 MPARA participants completed obs visit/training
Local			3.0			BDE			Pending		at Ag Survey Office, Kigali, 10/85. LC dependent
											upon timing next EUCEN visit.
LTC (Gbs)	1	5.0			5.0	BGP	Res		Pending		See LTC above.
Local			3.0			BGP					
INTEDY (Gbs)	1	6.0		1.0	5.0	MPARA/	Res	PIO/P			MPARA participant visited INTEDY by piggybacking on
Local			1.5			FDFIFA					USIS tour. Funds to be programmed with FDFIFA,
											probably for OBS visit to INTEDY.
CIMRYT (Gbs)	2	10.0			10.0	FDFIFA/	Res	PIO/P	Pending		Two to go to CIMRYT (Kenya and Mexico) to be pro-
Local			1.5			MPARA					grammed by FDFIFA and MPARA.
ICRAF (Gbs)	2	6.0		6.0	0.0	ICRF/	Res	PIO/T	Pending		Associated with workshop above.
Local			1.5	(learnmark)		MPAREF					Funds earmarked as part of PIO/T.
IITA	2	6.0		4.25	1.8	FDFIFA/	Res	PIO/P			FDFIFA participant to alley cropping workshop 4/86.
						MPARA					Remainder for MPARA or NPAEF training at IITA.
CIP	2	5.0		5.0	0.0	FIFAMANDR	Res	Invit travel	Complete		1 MPARA & 1 FIFAMANDR participant to 7/86 ISTA
						MPARA					conference, Brisbane, Australia.
Labor Intensive Roads (Gbs)	4	12.0			12.0	NTP	Res/Smith	PIO/T	Oct		Lindsay Thomas (IA to NTP) arranging visit to
											Lesotho for 5 NTP engineers.
G/M earth roads			6.0		6.0	NTP	Res/Smith		Pending		Pending results Lesotho O&S visit, reprogram.
Agric. Research Symposium			6.0		6.0	FDFIFA	Res		Pending		To be used for symposium local costs.
APAP Ag Policy Workshop		20.0	13.0	20.0	13.0	0.0	0.0	MPARA	Res	Completed	Used for 1-2/86 Ag Policy workshop, above.
Ag Project Appraisal (USDA)		40.0	10.0	40.0	10.0	0.0	0.0	MPARA	Res	Completed	Three week course held August 86.
Social Analysis	2	15.0		15.0		0.0		BGP	Res	Complete	Unable to find trg in French. Two BGP participants
											attended U Texas management workshop, July-Aug 85.
Contingency		25.0	12.5	18.3	0.0	6.7	13.5				\$3,500 for EUCEN Rwanda training. \$5,500 for USDA.
											\$7,000 for CIP. \$2,000 for U. Texas workshop.
Sub-total		154.0	59.0	112.6	23.0	40.5	36.0				

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MPAA Paraplatal Expert	1.5	55.0	0.0			MPAA	Fee/Fundate	100			
Contingency		25.5	0.0								
<b>Subtotal (6)</b>		<b>405.5</b>	<b>65.0</b>	--	--	<b>405.5</b>					
<b>Subtotal</b>		<b>709.5</b>	<b>100</b>	<b>192.0</b>	<b>9.0</b>	<b>517.4</b>					
<b>II. TRAINING</b>											
EUCEN (headst)	1	4.0		4.0		0.0	FOFEN	Fee	Complete		2 MPAA participants completed one week training at Ag Survey Office, Nigeria. LC dependent upon training next EUCEN visit.
Local				5.0		5.0	FOE			Pending	
LTC (50st)	1	5.0				5.0	DoP	Fee		Pending	See LTC above.
Local				3.0		3.0	DoP				
INISOL (headst)	1	6.0		1.0		5.0	MPAA/FOFIFR	Fee	PIOP		MPAA participant visited INISOL by participating on USIS tour. Funds to be progressed with FOFIFR, probably for US visit to INISOL.
Local				1.5		1.5					
CIPIA (headst)	2	10.0				10.0	FOFIFR/MPAA	Fee	PIOP	Pending	Two to go to UPRV Kenya and technical to be progressed by FOFIFR and MPAA.
Local				1.5		1.5					
MAEF (50st)	2	6.0		6.0		0.0	FOFIFR/MAEF	Fee	PIOP	Pending	Associated with workshop above. Funds awarded as part of PIOP.
Local				1.5	(workshop)	1.5					
ITIA	2	6.0		5.0		1.0	FOFIFR/MPAA	Fee	PIOP		FOFIFR participant to attend cropping workshop 1/5/86 remainder for drink or MAEF training at ITIA.
CoP	2	5.0		5.0		0.0	FOFIFR/MPAA	Fee	Invit travel	Complete	1 MPAA & 1 FOFIFR participant to 1986 USA conference, Brisbane, Australia.
Leone Intensive Roads (10st)	4	12.0				12.0	RIP	Fee/Smith	PIOP	not	Lindsay Thomas (R) to RIP arranging visit to Leishan for 3 RIP engineers.
GM earth roads						6.0	RIP	Fee/Smith		Pending	Pending results Leishan GM visit, reprogram.
Agri. Research Exposition						6.0	FOFIFR	Fee		Pending	To be used for symposium local costs.
AFAP Ag Policy Workshop		70.0	15.0	20.0	13.0	0.0	MPAA	Fee	Completed		Used for 1-2/86 Ag Policy workshop, above.
Ag Project Appraisal (105st)		60.0	10.0	40.0	10.0	0.0	MPAA	Fee	Completed		Three week course held August 85.
Social Analysis	2	15.0		15.0		0.0	DoP	Fee	Complete		Unable to find trip to French. Two DoP participants attended U Texas management workshop, July-Aug, 85.
Contingency		25.0	10.5	18.5	0.0	6.7					63,500 for EUCEN Rwanda training. 65,500 for USIS. 67,000 for CoP. 62,000 for U. Texas workshop.
<b>Subtotal</b>		<b>194.0</b>	<b>59.0</b>	<b>112.6</b>	<b>23.0</b>	<b>60.5</b>					

Best Available Document

Spare parts (tractors)	300.0	300.0	0
Caterpillar spares	2200.0	2200.0	0
Kanaria bridge	1000.0	1000.0	1000.0
Sub-total:	4480.0	3450.0	1000.0
IV. (A) AMENDMENT			
Ford tractor parts	100.0		
Ford light trucks	1300.0		
Caterpillar parts	400.0		
Caterpillar road equipment	374.0		
Sub-total (A)	2174.0		2174.0
Sub-total	6654.0	3450.0	3174.0
TOTAL FOR ORIGINAL	5040.0	3831.0	1184.0
TOTAL FOR AMENDMENT	2094.0		2094.0
GRAND TOTAL	7134.0	3831.0	3278.0

Landis  
 Ford - Gerard : L/COMH  
 Landis : Gerard :  
 Fraiser : Gerard : L/COMH  
 Smith/ : IFB  
 Gerard :

arrived 9/28. 17 expected 12/66.  
 4200.000 worth expected 12/66.  
 Remainder expected 1st qtr. 1967.  
 81.7m Delivered to date. Remainder expected by 12/31/66.  
 IFB issued and CBI notice placed, 7/66.  
 Bid opening, 10/15/66. Installation, Spring 67.

441

PROJET USAID: VENTE ET UTILISATIONS DES BIENS

1. Type d'équipement acquis: \_\_\_\_\_
2. Valeur: \_\_\_\_\_
3. Date d'arrivée des équipements au port: \_\_\_\_\_
4. Date de dédouanement des équipements: \_\_\_\_\_
5. Date de vente finale: \_\_\_\_\_
6. Nom de l'acquéreur: \_\_\_\_\_
7. Adresse de l'acquéreur: \_\_\_\_\_
8. Faritany: \_\_\_\_\_ Fivondronana: \_\_\_\_\_
9. Type de client:  
----- Secteur privé  
----- Société d'état. Si oui, lequel: \_\_\_\_\_
10. A quelles fins, l'acquéreur destinera-t-il l'équipement: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
11. Si l'équipement est destiné pour la production agricole, quelles sont les dimensions de la ferme servie: \_\_\_\_\_ hectares.
12. L'acquéreur fera-t-il louer l'équipement: \_\_\_\_\_
13. Détails sur les locataires, et estimations des dimensions de leurs fermes: \_\_\_\_\_  
\_\_\_\_\_
14. Estimation du coût de location de l'équipement (par jour, par kilo de poids ou par kilomètre, etc.): \_\_\_\_\_  
\_\_\_\_\_

Merci bien!  
1525D

45