

PAGE (1 512-26-150-308) PROJECT APPRAISAL REPORT (PAR)

1. PROJECT NO. <b>512-L-084</b>	2. PAR FOR PERIOD: <b>Nov. 1973</b> to <b>Jan. 1975</b>	3. COUNTRY <b>Brazil</b>	4. PAR SERIAL NO. <b>75-6</b> 7p
------------------------------------	--	-----------------------------	-------------------------------------

**NE AGRICULTURAL MARKETING (TECHNICAL ASSISTANCE)**

6. PROJECT DURATION: Began FY <b>1973</b> Ends FY <b>1976</b>	7. DATE LATEST PROP -	8. DATE LATEST PIP -	9. DATE PRIOR PAR <b>3/19/74</b>
---	--------------------------	-------------------------	-------------------------------------

10. U.S. FUNDING	a. Cumulative Obligation Thru Prior FY: \$ -	b. Current FY Estimated Budget: \$ -	c. Estimated Budget to completion After Current FY: \$ -
------------------	--	--------------------------------------	--

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

a. NAME	b. CONTRACT, PASA OR VOL. AG. NO.
<b>Personal Services Contracts</b>	<b>GOB Contract</b>
<b>U.S. Department of Agriculture</b>	<b>LA (AG) 25-74</b>

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

A. ACTION (X)			B. LIST OF ACTIONS	C. PROPOSED ACTION COMPLETION DATE
USAID	AID/W	HOST		
		X	1. Submit to USAID an implementation plan for 1975 containing the plans, targets and schedules discussed during the joint annual review meeting held in January 1975.	Completed (April 1975)
X			2. Monitor the implementation plan to see that training courses are initiated and equipment purchased as scheduled.	Continuing
X		x	3. Follow-up the consultant portion of the implementation plan by developing scopes-of-work for each consultant and by extending the USDA/PASA.	June 1975
		X	4. Conduct evaluation of economic impact of wholesale markets.	January 1976
(Note: This PAR also contains a fifth page with loan operations data as well as 3 U-1440-4 reports).				

D. REPLANNING REQUIRES  
 REVISED OR NEW:  PROP  PIP  PRO AG  PIO/T  PIO/C  PIO/P

E. DATE OF MISSION REVIEW  
**January 28, 1975**

PROJECT MANAGER: TYPED NAME, SIGNED INITIALS AND DATE  
**FRPC: PACampbell**

MISSION DIRECTOR: TYPED NAME, SIGNED INITIALS AND DATE  
**AD/TO: Howard D. Lusk**

AID 1020-25 (10-70)	PROJECT NO. <b>512-L-084</b>	PAR FOR PERIOD <b>Nov. 1973</b> TO <b>January 1975</b>	COUNTRY <b>Brazil</b>	PAR SERIAL NO. <b>75-6</b>
---------------------	---------------------------------	---	--------------------------	-------------------------------

**II. PERFORMANCE OF KEY INPUTS AND ACTION AGENTS**

A. INPUT OR ACTION AGENT CONTRACTOR, PARTICIPATING AGENCY OR VOLUNTARY AGENCY	B. PERFORMANCE AGAINST PLAN							C. IMPORTANCE FOR ACHIEVING PROJECT PURPOSE (X)					
	UNSATISFACTORY		SATISFACTORY			OUT-STANDING		LOW			MEDIUM		HIGH
	1	2	3	4	5	6	7	1	2	3	4	5	
1. <b>Personal Services Contracts (see U-1440/74 Report attached)</b>													
2.													
3. <b>USDA</b>						X						X	

Comment on key factors determining rating

As this Loan progressed, there has necessarily been a shift in the emphasis and importance of the services provided by the Pscs. Thus Fleming's services were vital initially but are less so now and his contract terminated in May 1975; Weiss has performed well in his re-defined Work Scope and will complete his contract in June 1975 with COBAL's appreciation for his services; Arecco is deeply involved and producing well in the present vital stage of the Loan. The USDA/PASA has not been as fully utilized as it might be but USDA has responded well to COBAL's requests for consultant services.

4. PARTICIPANT TRAINING					X								X
-------------------------	--	--	--	--	---	--	--	--	--	--	--	--	---

Comment on key factors determining rating

Observational and other short-term training in the U.S. in market management was successfully completed in 1972 and 1973. In 1974, in-country training programs were effectively carried out in market management, market news, and grades & standards. A training implementation plan for 1975 has been approved by USAID for the training of 150 operational level people.

5. COMMODITIES			X									X	
----------------	--	--	---	--	--	--	--	--	--	--	--	---	--

Comment on key factors determining rating

The identification and purchase of commodities has been slow to start but COBAL, in its implementation plan for 1975, has identified its requirements and states all equipment will be in place by September 1975.

6. COOPERATING COUNTRY	a. PERSONNEL					X							X
	b. OTHER Management						X						X

Comment on key factors determining rating

The new team of Directors at COBAL have a good grip and understanding of the Loan (and its companion Loan 512-L-083), have been most cooperative with USAID, and are carrying out their responsibilities competently and with reasonable promptness. A joint annual loan review was held on January 28, to assess the current status of the loan and to evaluate plans prior to the submission by COBAL of an implementation plan for 1975. COBAL's plans for 1975 appear sound, are in keeping with loan objectives and indicate that implementation will be carried out within present TCD and TDD dates.

7. OTHER DONORS	<b>Spain</b>												
-----------------	--------------	--	--	--	--	--	--	--	--	--	--	--	--

(See Next Page for Comments on Other Donors)

AI: 1020-25(10-70)	PROJECT NO.	PAR FOR PERIOD:	COUNTRY	PAR SERIAL NO.
PAGE 3 PAR	512-L-084	11/73 - 1/1975	Brazil	75-6

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

There were initial fears that the Spanish MERCASA contract group would duplicate some of the loan efforts. The loan program is only part, however, of the total GOB national marketing program and the Spanish group restricted themselves to non-duplicative areas of the overall program. The Spanish group have now terminated their assistance but, in general, interaction and cooperation were good.

### III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					
		CUMULATIVE PRIOR FY	CURRENT FY		FY ____	FY ____	END OF PROJECT
			TO DATE	TO END			
Market administration capacity developed through training of market managers/high level administrators. (N. B. :NS=Not specified).	PLANNED	7/8	NS	NS			NS
	ACTUAL PERFORMANCE	2/8	14/31				
	REPLANNED			14/31	24/31		24/31
Wholesale markets operating in the North-Northeast (not including Recife).	PLANNED	3	6	6	-		9
	ACTUAL PERFORMANCE	4	7				
	REPLANNED			7	9		-
Rural shipping point facilities open and operating.	PLANNED	-	-	-	6		6
	ACTUAL PERFORMANCE	-	-				
	REPLANNED				6		6
	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						
B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS		COMMENT:					
1. Market news system consolidated and extended to major cities & collection centers.		Marketing information service between CEASAS began Feb. 1974. Subsequently, an integrated plan of Agricultural Market News (PIMA) was developed to eliminate duplication of services in the NE and integrate marketing news for the whole country. First step completed December 1974.					
2. Develop and implement adequate grades and standards programs.		COMMENT: As a result of a national study begun in 1973, a work plan has been developed emphasizing: grades and standards promotion for 5 NE products; containerization programs; and, staff qualifications for inspectors. Training courses initiated 10/73.					
3. Market capacity being utilized.		COMMENT: Cr\$1.2 billion worth of produce (almost US\$200 million) was sold through the 9 markets in operation in the national system during 1974. Five of these markets are in the NE. The Salvador market, in just one year of operation is operating at 70% of capacity. Other markets show similar					

AID 1020-25 (10-70) PAGE 4 PAR	PROJECT NO. <b>512-L-084</b>	PAR FOR PERIOD: <b>11/73 - 1/1975</b>	COUNTRY <b>Brazil</b>	PAR SERIAL NO. <b>75-6</b>
-----------------------------------	---------------------------------	--	--------------------------	-------------------------------

IV. PROJECT PURPOSE

1. 1. Statement of purpose as currently envisaged.

2. Same as in ~~PARSER~~  YES  NO  
Loan Agreement

**Increase the operating efficiency of the marketing system being constructed in the North and Northeast areas of Brazil (construction is being financed in part by AID Loan 512-L-083)-**

B. 1. Conditions which will exist when above purpose is achieved.

2. Evidence to date of progress toward these conditions.

1. N/NE Wholesale markets fully operational under uniformly established marketing policies.

1. Wholesale markets have been inaugurated in Fortaleza, João Pessoa, Aracajú, Salvador, Manaus and Belém. All are being managed by COBAL trained managers and supervisors. See also Part III. B. 2.

2. Consumption demand being met through increased availability of produce due to improved efficiency of marketing channels and reduced spoilage.

2. COBAL plans an evaluation of the marketing channel at the end of CY-1975. Most markets have not been in operation long enough to give measurable data beyond that in Part III. B. 3.

3. Interlinkages of rural and urban market services.

3. COBAL is promoting relationship between marketing staffs and rural extension agents in order to give another dimension to extension service, improve dissemination of market news, and improve producer knowledge of grades, standards and marketing techniques. 15 extension agents trained so far.

V. PROGRAMMING GOAL

A. Statement of Programming Goal

1. To accelerate progress in agricultural modernization, to raise the level of living and the participation in development of the large majority of the population living at below the poverty line.
2. To expand Brazil's regional effort to enable the Northeast to narrow and gradually overcome its serious development gap. (Ref. CAP, P. 20, para 3)

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

The companion loan for the construction of marketing facilities (512-L-083) and the Rural Roads Loan (512-L-082) also contribute to goal achievement. All loans are at similar stages of implementation and the effects of each - or all together - are as yet hard to measure. Agricultural production in the NE (exclusive of sugar) shows relatively good annual gains despite some slowness in increased use of modern agricultural inputs; this could be attributed to the aids to marketing assisted by the aforementioned loans which enable farmers to get produce to market twice a year whereas before only one crop reached consumers because of the difficulty in marketing during the NE rainy season. Leaving aside the notorious periodic drought situations in the NE, headway is being made in a constant supply to consumer markets at relatively reasonable prices, while farmer income seems to be improving. COBAL hopes to evaluate the effect of marketing improvements on production and farmer income during the coming year.

LOAN OPERATIONS DATA

1. Loan Amount: \$1,000,000 Date of Review: January 1975
2. Basis for Review: Borrower's reports, correspondence, consultations with Borrower, joint annual loan review.

3. Significant Dates:

Date Loan Signed: November 8, 1971  
Terminal Commitment Date: June 30, 1976  
Terminal Disbursement Date: December 31, 1976

4. Implementation Letters Issued: During Review Period

- No. 13: Nov. 19, 1973: Annual Loan Review  
No. 14: Nov. 30, 1973: Rescheduling Annual Loan Review  
No. 15: Mar. 29, 1974: Letter of Commitment for services of U. S. technician Carlos Arecco.  
No. 16: Mar. 3, 1974: Amendment of L/COMM for services of James Fleming.

5. Loan Utilization:

Loan Funds (percentage) committed: \$602,000 (60%)  
Loan Funds (percentage) disbursed: \$336,000 (34%)

6. Audits

Last USAID audit: June 19, 1974  
Next audit scheduled: Not scheduled yet.

7. Current Financial Plan:

<u>Source</u>	<u>US\$</u>	<u>Cr\$</u>
AID	600,000	400,000
Borrower *	*	*
Other	-	-
Total...	600,000	400,000

(\* See Loan 512-L-083)

8. Covenants:

**Borrower is complying with the principal provisions of the Loan Agreement.**

PERFORMANCE EVALUATION OF CONSULTANTS' SERVICES TO THE GOVERNMENT OF BRAZIL

1. CONSULTANT'S NAME AND ADDRESS  
**CARLOS C. ARECCO**

2. PROJECT  
- LOCATION: **Brasilia, Brazil**  
- TITLE: **NE Agricultural Marketing - Technical Assistance**

AGENCY FILE NO. **512-L-984**

3. TYPE OF SERVICE		4. TYPE OF CONTRACT		5. DIFFICULTY	
<input type="checkbox"/> DESIGN	<input type="checkbox"/> CONSTRUCTION SUPERVISION	<input type="checkbox"/> FIXED PRICE	<input type="checkbox"/> COST PLUS FIXED FEE	<input checked="" type="checkbox"/> DIFFICULT	FROM
<input type="checkbox"/> PLANNING	<input checked="" type="checkbox"/> <sup>Office of the Consul</sup> Tech. Assit.	<input type="checkbox"/> COST PLUS PERCENTAGE	<input type="checkbox"/> OTHER (DESCRIBE)	<input type="checkbox"/> EASY	TO <b>1/75</b>
<input type="checkbox"/> RECONNAISSANCE					

7. DESCRIPTION OF PROJECT  
Increase the operating efficiency of the marketing system in the North-Northeast areas of Brazil.

6. AMOUNT OF ORIGINAL CONTRACT	7. AMOUNT OF AMENDED CONTRACT	8. CONTRACT DATE	9. CONTRACT NUMBER
U.S. \$ <b>18,800</b>	U.S. \$ -	<b>2-14-72</b>	
LOCAL CURRENCY EQUIVALENT	LOCAL CURRENCY EQUIVALENT	AS AMENDED	UNCLASSIFIED
		<b>2/75</b>	<b>INDEF</b>

12. LIST ALL OTHER FIRMS AND INDIVIDUALS WHOSE CONTRACTS, JOINT VENTURES, OR USE OF INDIVIDUALS ASSOCIATE CONSULTANTS OTHER THAN IN-HOUSE STAFF.

N/A

I. PERFORMANCE		II. PERFORMANCE	
RATING FACTOR (X)	YES	NO	RATING FACTOR (X)
1. DID OVERALL TECHNICAL PERFORMANCE BY CONSULTANT SATISFY PROJECT REQUIREMENTS AS SET FORTH IN SCOPE OF WORK?	X		1. WAS CONSULTANT'S PROJECT MANAGEMENT (A) SATISFACTORY?
2. DID CONSULTANT'S FINANCIAL RESOURCES APPEAR ADEQUATE FOR PERFORMANCE OF CONTRACT?	X		2. (B) EFFECTIVE IN WORKING WITH B/G AND OTHER OVERSEAS AGENCIES?
3. WAS CONSULTANT'S TOP MANAGEMENT RESPONSIVE AND EFFECTIVE IN PROVIDING SOLUTIONS TO:			3. (C) EFFECTIVE IN HIS PERFORMANCE?
(A) TECHNICAL PROBLEMS	X		4. WAS THE CONSULTANT'S PERFORMANCE FACILITATED BY B/G PERSONNEL RESPONSIVENESS AND COOPERATION?
(B) MANAGERIAL PROBLEMS			
4. WAS CONSULTANT ABLE TO EFFECTIVELY COPE WITH OVERSEAS LOGISTICS?	X		5. WAS THE CONSULTANT'S PERFORMANCE FACILITATED BY A/D PERSONNEL RESPONSIVENESS AND COOPERATION?
5. DID CONSULTANT SUPPLY A TEAM OF THE REQUIRED QUALITY CALIBER AS TO NUMBER, BLEND, AND QUALITY OF PERSONNEL?	N/A		6. WAS CONSULTANT'S LOCAL ASSOCIATE RESPONSIVE AND EFFECTIVE TO THE NEEDS OF THE PROJECT?
6. DID CONSULTANT'S PROJECT MANAGER AND OTHER OVERSEAS STAFF APPEAR TO INSURE CONTRACT SUCCESS?	N/A		N/A

III. OVERALL PERFORMANCE RATING:  OUTSTANDING  SATISFACTORY  UNSATISFACTORY

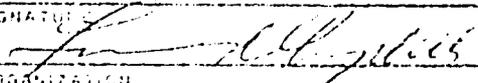
Attachment A to H.C. 1402.3  
 (IL 12:475) 9-1-71

1. EXPLANATION OF AVAILABLE PERFORMANCE FACTORS TO BE RATED (Indicate the performance factors to be rated)

Arecco has integrated himself extremely well into the COBAL team and has the kind of expertise they needed right at their juncture in time.

2. DISCUSSION OF RATINGS ASSIGNED TO SPECIFIC FACTORS (Indicate the quality of condition that affects the ratings and list the specific numbered factors of the consultant's performance. Indicate an explanation with number of rating factor to be given, etc.)

Performance factors 1, 3 and 7 have been particularly notable to date.

V. RATED BY	TYPED NAME Francis R. Campbell	SIGNATURE 	
	TITLE (Typed) Program Officer	ORGANIZATION USAID/B	DATE 6/17/71

VI. RATING REVIEWER'S COMMENTS

VII. RATING RE- VIEWED BY	TYPED NAME	SIGNATURE	
	TITLE (Typed)	ORGANIZATION	DATE

VIII. ADDITIONAL COMMENTS (Indicate author of comments)