

I. PROJECT IDENTIFICATION

PROJECT TITLE

RURAL DEVELOPMENT - VIHIGA

11/71 18p.  
 APPENDIX ATTACHED  
 YES NO  
 2. PROJECT NO  
 615-11-810-147

3. RECIPIENT (specify)  
 COUNTRY KENYA  
 REGIONAL INTERREGIONAL

4. LIFE OF PROJECT  
 BEGINS FY 1971  
 ENDS FY 1976  
 5. SUBMISSION  
 ORIGINAL  
 REV. NO. 2  
 CONTR/PASA NO.

II. FUNDING (\$000) AND MAN MONTHS (MM) REQUIREMENTS

A. FUNDING BY FISCAL YEAR	B. TOTAL \$	C. PERSONNEL		D. PARTICIPANTS		E. COMMOD- ITIES \$	F. OTHER COSTS \$	G. PASA/CONTR		H. LOCAL EXCHANGE CURRENCY RATE \$U.S.		
		\$	MM	\$	MM			\$	MM	11. U.S. GRANT LOAN	12. COOP JOINT	COUNTRY BUDGET
1. OPRM FY '72	335	204	60	2	2	29	100	182	54			42
2. BUDGET FY	382	217	66	2	2	30	116	194	54			--
3. BUDGET 1 FY												
4. BUDGET 2 FY												
5. BUDGET 3 FY												
6. GRAND TOTAL												

III. ORIGINATING OFFICE CLEARANCE

1. DRAFTER  
TITLE

*Clinton L. Doggett*

Clinton L. Doggett  
 Assistant Director/Program

DATE 10/29/71

2. CLEARANCE OFFICER  
TITLE

*Bert Tollefson, Jr.*  
 Bert Tollefson, Jr.  
 Mission Director

DATE 10/29/71

IV. PROJECT AUTHORIZATION

1. CONDITIONS OF APPROVAL

2. CLEARANCES

BUR/OFF.	SIGNATURE	DATE	BUR/OFF.	SIGNATURE	DATE

3. APPROVAL AAs or OFFICE DIRECTORS

4. APPROVAL A AID (See M.O. 1025.1 VI C)

SIGNATURE	DATE	SIGNATURE	DATE
TITLE		ADMINISTRATOR AGENCY FOR INTERNAT'L DEVEL.	

## Introductory Note

This is the second PROP to be prepared on the Vihiga project. It updates and further develops the basic thrust set forth in the first PROP, dated September 30, 1970. The present PROP has been reviewed in detail with the responsible officials of the Government of Kenya and all of their revisions have been incorporated herein.

A life-of-the-project PROP will be prepared for this project at an appropriate time, after the contract team has come on board and developed its approach to participation in project plans and activities.

### A. Statement of Goal

#### 1. Goal

The goal to which the Vihiga project will contribute is promotion of the employment, income, and general well being of the rural people of Kenya by successfully applying on a broad scale in rural areas the results of a number of experimental efforts in the Vihiga Special Rural Development Program (SRDP) pilot area to develop in a variety of sectors with relatively small inputs some effective new approaches to rural development, including new methods, new combinations of inputs, new time phasing, and new techniques to upgrade and motivate local government officials and local inhabitants. The GOK has also undertaken five other similar SRDP pilot projects, four of which are being supported by other donors, i.e., the UK, Sweden, Norway, and the Netherlands.

#### 2. Measurement of Goal Achievement

The GOK intends, as soon as possible, to apply on a wide scale the results of successful experiments carried out in the individual SRDP pilot areas. The most likely first candidate from the Vihiga program will be the maize campaign, which has undergone a pre-test during 1971 and will be carried out on an expanded basis during 1972.

To be judged as having contributed substantially to the stated goal, the Vihiga program should complete several successful experiments that are actually applied successfully in several other similar rural areas. The judgment regarding successful application elsewhere would be based upon the same criteria as those employed in judging successfulness in Vihiga itself, e.g., substantial increases in maize produc-

tion on a substantial number of farms, significant demonstration effects, substantial improvement in the effectiveness of a significant number of extension workers, substantial expansion of small-holder credit, substantial increases in output of tea, vegetables, and livestock products, establishment of a significant number of small rural enterprises, successful completion of self-help projects in several sectors, construction of a significant mileage of roads on a labor-intensive basis, provision of family planning services to a significant number of rural women, etc.

The written record of the Vihiga project is being built up in USAID files, reports by the Resident Evaluator, Area Coordinator, and Provincial Planning Officer, and in policy and planning documents issued by the Ministry of Finance and Economic Planning, and by the various technical ministries concerned with the program.

### 3. Important Assumptions Related to Goal

Most of the assumptions underlying the Vihiga project relate to purpose, outputs, and inputs. A specific assumption relating directly to the project goal is that the GOK will continue to maintain and strengthen its SRDP organization over the period of time required to carry out the difficult and detailed task of applying throughout the rural areas of Kenya the results of all of the successful experiments in all of the pilot areas.

## B. Statement of Project Purpose

### 1. Purpose

The purpose of the Vihiga project is to develop through experiment in Vihiga a number of new approaches to rural development that show sufficient success in Vihiga to warrant broad scale trial in other similar areas of rural Kenya. The areas to be tested include maize production, extension training, small-holder credit, horticulture, livestock, tea, small rural enterprises, rural training, self-help projects, community development, labor-intensive road construction, maternal and child health programs, family planning, and other areas to be determined as the program evolves and develops. In the event it becomes clear that a particular experiment has relatively limited promise, it will be discontinued.

### 2. End of Project Status

The Vihiga project will have achieved its purpose at the time of its termination if it has 1) substantially accelerated Vihiga's development and 2) achieved a significant number of reproducible successes:

#### 1) Development of Vihiga

While the development of Vihiga, in itself, is not the purpose

of this experimental project, the overall impact of the project on income and employment in Vihiga will certainly represent a significant measure of the aggregate value of the experiments undertaken. Although project inputs will be very small in comparison with GOK non-project expenditures in the area, it must be demonstrated that the project has contributed toward greater efficiency in overall resource utilization through the introduction and successful application of new methods, new combinations, and new sequences. Thus, evaluators of the project will seek overall indicators of growth of production, income, and employment in Vihiga during the project period, and attempt to compare these data with estimates as to what the growth rates would have been if the project had not been undertaken.

## 2) Reproducible Successes

- a. There should be a sufficient increase in the yields of maize on a sufficient number of farms to demonstrate that the techniques applied in the Vihiga maize campaign are likely to be reproducible elsewhere in rural Kenya under similar conditions; e.g., up from 5 to 25 ninety-kilo bags per acre on at least 1,500 farms. At current 1971 prices, this would mean an income per acre of 850 Kenya shillings compared with a pre-project average of less than 200 shillings.
- b. The maize campaign, to be a complete success, must have a demonstration effect causing many other farmers not included in the program to adopt some or all of the methods employed in the program. A good illustrative figure might be an additional 3,000 farmers so influenced.
- c. Qualitative analysis should be applied to determine that there has been sufficient improvement in the effectiveness of 80 extension workers to demonstrate that the special training and focus they have been given under this project are generally applicable in other areas as a method of upgrading personnel.
- d. There must be sufficient expansion of the small-holder loan program to demonstrate widespread applicability in rural areas; e.g., an annual level of Shs. 300,000 with a default rate of less than 20 per cent.
- e. Increased output and improved marketing of tea, vegetables, and livestock products.
- f. Establishment of up-to-50 small rural enterprises employing about 200 persons.
- g. Assistance to construction of eleven experimental self-help cattle dips.

h. Construction of 41 miles of farm-to-market feeder roads on a labor-intensive basis.

i. Setting up family planning services in health centers serving up to 1,000 local women per month.

3. Important Assumptions Related to Purpose

1) It is assumed that the experimental project inputs into Vihiga will be over and above the regular GOK expenditures for personnel, operations, and infrastructure. Presumably, there will also be a continuation of the normal upward trend in these GOK inputs, outside of the Vihiga project.

2) Judgments relating to the relative degree of success of agricultural project activities will be tempered by an analysis of trends in weather conditions.

3) It is assumed that there will be no broad national policy changes that will have adverse effects on Vihiga farmer incomes and incentives.

4) Evaluation capability will continue after the Vihiga Resident Evaluator departs in May, 1972. The GOK intends to appoint a full-time Research and Evaluation Coordinator responsible for a) developing with the Institute for Development Studies (IDS) an agreed IDS research and evaluation program which will include specific evaluation exercises, e.g., relating to the Vihiga maize program, and b) setting up a GOK evaluation capability in the Rural Planning Unit of the Ministry of Finance and Economic Planning.

C. Statement of Project Outputs

1. Outputs

The fundamental output of the Vihiga project will be a Kenyan organization in Vihiga and Kakamega that will seek to carry out successfully a number of experimental activities in Vihiga Division that will eventually lead to broad scale applications in similar areas of rural Kenya, resulting in an acceleration of the rural development process beyond the normal results that would be expected from traditional investments in infrastructure and personnel.

The new and strikingly different organization and approach to the development of Vihiga, resulting from the inputs described below, will attempt to achieve successes potentially reproducible throughout rural Kenya in a variety of sectors through the application of new methods, new combinations of inputs, new time phasing, and new techniques to upgrade and motivate local officials and local inhabitants.

The following are the detailed elements of the Kenyan organizational capability that is intended to be produced as the direct result of the U.S. and Kenyan inputs into this multifaceted project:

1) The Office of the Area Coordinator for the Vihiga project has been established, reporting directly to the Provincial Commissioner for Western Province. The incumbent is a well qualified Kenyan official with a B.A. from Brandeis and an M.A. from UCLA. A major tactical objective of the project is to build up the planning and coordinating role of this office and the incumbent.

2) Another relative/new office is that of the Provincial Planning Officer, which was set up in 1968 as part of the regular provincial government structure. SRDP serves as a catalyst for his planning, and generally gives focus to his activities. The Vihiga project seeks to build up the office of the PPO and the incumbent in every way possible. The fact that the PPO was formerly Deputy Secretary of SRDP in Nairobi is a great asset in GOK/USAID communication with the field.

3) Agriculture is the major sector of the Vihiga program and, for rather obvious reasons, will continue to be the major sector. Agriculture is the source of life for most of the people in Vihiga, although substantial supplemental income is remitted by males working outside the Division. The main initial thrust of the Vihiga program has been an experimental maize campaign which has been made possible by special organizational arrangements at several levels. The specific organizational outputs sought in the agriculture sector are as follows:

a. A strong planning capability involving intimate exchanges of ideas between Vihiga and the provincial headquarters in Kakamega, together with strong support of field personnel by Kakamega officials.

b. Deep involvement in the program on the part of the Ministry of Agriculture in Nairobi, including frequent exchanges of visits between Kenyan personnel in Nairobi and field and efforts on the part of Nairobi staff to bring to bear the full professional power of the Ministry to backstop the Vihiga program with ideas, short-term expert advice, budget, adequate long-term staff, and physical supplies as required. This would include upgrading Kenyan staff in the Ministry of Agriculture who deal with SRDP matters.

c. Upgrading the Vihiga extension staff by assigning additional Embu graduates to Vihiga and by conducting training programs designed to improve the extension workers' professional knowledge and skills and their ability to work effectively with farmers. The maize campaign has given specific focus to these efforts.

d. Improving the capability of AFC to conduct small-holder loan programs - including disbursement, supervision, and collection. The maize campaign is providing a good opportunity for AFC to develop these techniques.

e. Building, over the long term, the capability of Vihiga cooperatives, including their use as part of the machinery for replicating the maize program on a larger scale.

4) In the community development sector, outputs will include an improved capability to plan and manage self-help activities and to mount and carry out publicity and motivational campaigns in support of the Vihiga program generally.

a. The project seeks to help the Community Development Department to redirect the self-help program and make it more effective. The program, since Independence, has demonstrated an enormous desire among rural people in Vihiga and elsewhere for self-help projects and a remarkable willingness to contribute their own labor and money. The trouble has been that they have tended to concentrate on relatively uneconomic Harambee schools, health centers, and social halls, many of which have remained unfinished. The present experimental project seeks to channel these clearly demonstrated desires for self improvement into more productive economic sectors, such as agriculture, roads, bridges, small dams, and irrigation works. Individual project activity will stress training of local rural people in project selection, design, and implementation.

b. One example of the supporting role to be developed within CD will be a publicity and motivational campaign relating to the maize program, with a view to expanding the program from the present 76 to some 1,500 within five years.

5) The output in the small industries sector will be a capability to train local people to become entrepreneurs and to provide them with loans and technical assistance, making possible the establishment and conduct of small businesses in the Vihiga area. Detailed feasibility studies have already been prepared by AID-supplied short-term technicians and the program is being implemented on behalf of the GOK and USAID by the Quaker-supported group, Partnership for Productivity.

6) The roads sector output will be a fully equipped and adequately supplied unit capable of designing and constructing farm-to-market feeder roads on a labor-intensive basis, at no greater cost than that of mechanized construction.

7) In family planning, the current proposal from Vihiga field staff would provide adequately staffed health centers, capable

of offering Vihiga women a full range of family planning services as part of the overall MCH program.

8) An output relating to all sectors will be the greater mobility resulting from inputs of vehicles and petrol that will permit Vihiga staff to have greater contact with the local inhabitants and with officials in Kakamega.

9) Other outputs will depend upon evolution of the project.

## 2. Output Indicators

A selection of output indicators for the Vihiga project can be made only on a tentative basis at this early stage of the project. Planning is advanced only in the agriculture sector. Also, in this project, it is important to look to qualitative indicators as well as quantitative ones. The basic output of the project is an improvement in the development capability of local government.

1) The following are some of the indicators which might be applied to the work of the Area Coordinator, the Provincial Planning Officer, and other key staff in Kakamega and Vihiga, relating to overall improvements in program planning and coordination:

a. Quality, timeliness, appropriateness, and internal consistency of program planning and budget documents.

b. Administrative capability demonstrated by the appropriate scheduling, planning, minuting, and follow-up of meetings on the program.

c. Frequency and productivity of visits to the field.

d. Quality of periodic and special reports.

e. Degree of effectiveness in obtaining necessary decisions from higher levels.

2) In the agriculture sector:

a. Completion of at least two weeks of special training for 80 extension workers by January, 1972.

b. Completion of plans for the second maize campaign by January, 1972, taking account of the results of the first year's campaign.

c. Completion of plans for experimental activities in tea, livestock, and horticulture, by June, 1972.

d. Effective implementation of the second-year maize campaign.

e. Field visits by key Kakamega agriculture personnel at least once per week.

f. Periodic visits by key Nairobi agriculture personnel to Kakamega and Vihiga as appropriate.

g. Completion of a study of the possible role of cooperatives in the program, by December, 1972.

3) Community Development:

a. Effective implementation of the cattle dip program.

b. Completion of plans for experimental self-help programs in one or more additional sectors, by June, 1972.

c. Completion of plans for a publicity and motivational campaign in support of the maize program, by December, 1972.

4) Small Industries:

a. Effective implementation of the program by PFP, with GOK and U.S. support.

5) Labor-Intensive Roads:

Formation of unit and completion of revised plans, by March, 1972.

6) Family Planning:

a. Training of staff by June, 1972.

b. Initiation of program by July, 1972.

3. Important Assumptions Related to Outputs

The basic assumption related to outputs is that the GOK, at all levels, in Nairobi and the field, will continue to give the program the very high priority that it has been allotted in the Five Year Plan and in various Government policy announcements.

1) It is particularly important that the Ministry of Agriculture in Nairobi participate actively in the program.

2) In the labor-intensive roads program, considerable collaboration will be needed on the part of the Ministry of Works.

3) As the maize program expands, means will have to be found to strengthen AFC's capability in the field.

4) It is assumed that field personnel concerned with the Vihiga program will give it a high priority.

5) It is also assumed that Vihiga program personnel will not be subject to transfer after serving only a short time.

6) It is assumed that the policy level at the Ministry of Health will look favorably upon an experimental family planning program in Vihiga.

D. Statement of Project Inputs

1. Inputs

The U.S. input into the Vihiga project, thus far, has largely taken the form of advisory services provided by short-term technicians - four in agriculture, two in small industries development, and one in community development. USAID and AID/W staff have also contributed to GOK planning and implementation efforts.

In addition, AID will be reimbursing the GOK for local currency expenses already incurred for training of extension workers, for four local counterpart staff members, and for one-half of the cost of eleven self-help cattle dips under the community program.

We have also ordered four jeeps for U.S. project technicians.

The project is now gaining momentum. The U.S. and GOK inputs being proposed for FY 1972 and FY 1973 are as follows:

1) The FAMU basic contract team of one multisector and two agricultural technicians will come on board during FY 1972. Funds were obligated for this in FY 1971.

2) The U.S. will contribute a newly assigned internal USAID staff member with the AID title of "Vihiga Project Manager," who will devote full time to the project, dealing with all AID internal policy and procedural aspects, and also supporting the contractor's programming, planning, and coordination efforts. He will monitor, assist, advise, and support the contractor on project selection, design, and implementation, and on administrative and logistical aspects of the contract. He will carry out liaison with GOK offices in Nairobi and in the field and will perform general, sectoral, and multisectoral analysis, looking toward innovative solutions of rural employment and income problems. He will provide assistance in the conception and development of new ideas in all sectors, and will prepare all of the necessary AID program documentation.

3) In order to maintain and strengthen the crucial role of the Ministry of Agriculture in Vihiga and the other SRDP pilot areas

the U.S. will meet, for two years, the salary and international travel costs of an American OPEX development economist, contracted by the GOK, to fill the position of Economist/Planner, District Planning Unit. The GOK will provide his housing, medical and other allowances, local travel, and other costs, and will provide full support for a Kenyan counterpart, including partial costs of training abroad. In addition, current plans call for the assignment of a full-time Kenyan agronomist to work with the OPEX economist on SRDP-related programs.

4) The U.S. will provide local currency support for an expanded second-year maize campaign, beginning in February, 1972, including small-holder loan funding, training of extension workers, and, possibly, other items.

5) U.S. and GOK will provide local cost support, as needed, for other initiatives in agriculture in areas such as horticulture, livestock, and tea.

6) The GOK will provide all local currency requirements for qualified self-help projects, in addition to the cattle dips already approved.

7) Activity in the small industries sector will be substantially expanded in FY 1972 and FY 1973. GOK/USAID will continue to use PFP as the primary implementing agent and will support PFP to enhance its operations by paying rent on improved working quarters, by providing training equipment, by paying salaries of selected expatriate and local staff, by paying for a mobile motor-repair facility, and, possibly, by other means.

8) The labor-intensive road-construction element of the project is expected to start about January 1, 1972. Preliminary plans and proposed U.S. and GOK inputs were described in FY 1971 PROP Amendment No. 1. A Peace Corps engineer will take the place of the AID engineer described in the PROP. He will prepare detailed plans and revised cost estimates. Present estimates of U.S. and GOK costs are submitted in the Budget section.

9) Family planning activity is also expected to get under way in FY 1972. U.S. support, under the AID Population Dynamics, will be needed for midwife training, salaries, and vehicles. The intention is to utilize presently unstaffed health centers in Vihiga to provide family planning services as part of an MCH program.

10) Assistance will be provided to CD to improve its capability to give Vihiga SRDP a multiplier effect, through publicity and motivational activities.

11) U.S. short-term experts will be brought in as necessary to provide advisory services in various sectors of the program.

12) Training and observation will be provided for Kenyans abroad in order to take advantage of foreign experience; e.g., in Uganda, possibly Mexico, and elsewhere.

13) The GOK will provide personnel, housing, transport, and other supporting services for the project.

14) Continuing assistance is anticipated from other donors; e.g., FAO fertilizer, SIDA water, and DANIDA rural industries.

## 2. Budget

A full budget for the life of project cannot now be presented because data upon which to base decisions regarding inputs in the period 1974-76 must be prepared by contract technicians not yet on site. The budget for U.S. and GOK contributions for FY 1972 has been worked out and is presented below. The tentative AID budget for FY 1973 is also presented subject to limited modification after the collection of preliminary data by contract technicians.

	<u>U.S. - FY 1972</u>	(\$000)
1) <u>Technicians' Services</u>		204
a. Direct Hire		25
Salary (6 MM)	12	
Int. transport	4	
Shipping HHE and POV	6	
Allowances	3	
b. Contribution to salaries of four Kenyan counterparts		12
c. Contract		167
3 Technicians x 12 MM	135	
Short-term contract (6 MM)	16	
1 OPEX technician in MinAg (12 MM)	16	
2) <u>Participants</u>		
Travel and per diem for observational study trips to RD projects in East Africa		2
3) <u>Commodities</u>		29
Excess dump trucks (2) and cargo trucks (2)		26
Camper		2
Adding machine, typewriter		1

4) <u>Other Costs</u>		100
a. Direct Other Costs	85	
Hand tools, wheelbarrows, construction materials, day payment to laborers, plus costs of maintenance and running vehicles	50	
Contribution to 300-farmer loan scheme	15	
Support for small-scale industrial development	7	
Support for local training costs	6	
Misc., local petrol	3	
Support for DH technicians (rent, utilities, etc.) 6 mos.	4	
b. Contract Other Costs	15	
Rent, utilities, maintenance, guard service		
		—
	Total	335

GOK Contribution FY 1972 (\$000)

1) <u>Technicians</u>		25
6 Agriculture Assistants		
5 Home Economics Assistants		
1 Senior Animal Health Assistant		
2 Animal Health Assistants		
1 Area Coordinator		
1 Clerical Officer		
1 Assistant Community Development Officer		
1 Division of Adult Education Supervisor		
2 Copy Typists		
3 Drivers		
2) <u>Training Costs</u>		3
3) <u>Commodities</u>		4
1 Five-ton lorry		
4) <u>Other Costs</u>		10
Vehicle maintenance, office operating expenses, local transport		
		—
	Total	42



Note : The GOK budget for FY 1973 will not be prepared until April, 1972. The Mission has been assured by the Ministry of Finance and Economic Planning that the total figure will be somewhat higher than that for FY 1972, and that the increase will cover substantive SRDP-related activities.

### 3. Important Assumption Related to Inputs

The following factors will have an important bearing on the capability of the proposed project inputs to lead surely and promptly to achievement of the desired project outputs:

- 1) The U.S. contractor, FAMU, must steadily develop in every way its overall capability to play a decisive role in the successful planning and implementation of the project.
- 2) The basic FAMU team of three technicians must be recruited and, subject to GOK concurrence in each nomination, be placed on the ground at the earliest possible moment.
- 3) The two agriculture sector technicians must be capable, between them, of covering the following functions:
  - a. Assistance to the Kenyans in day-to-day management of the maize campaign and other agricultural operations.
  - b. Provision of scientific advice relating to maize and other crops.
  - c. Contribution of sophisticated agricultural economic analysis toward recommendations to individual Vihiga farmers as to profitability and marketability of various alternative crops over the long term.
  - d. Assistance in devising and organizing effective means of marketing Vihiga crops.
- 4) The multisector technician must have a broad interdisciplinary view. The position requires a high level of knowledge and demonstrated skill in program planning and administration in a foreign assistance setting. The incumbent must contribute to the program a broad capability to perform general, sectoral, and multi-sectoral analysis, looking toward innovative solutions of rural employment and income problems.
- 5) To the extent that the FAMU team as actually recruited does not fully cover the range of capabilities described above, it is important that well qualified short-term technicians be made available promptly to fill in the gaps.
- 6) Short-term technicians, apart from their role in supporting

the basic FAMU team, can also play a significant part in the shaping and implementing of new sectors of activity. Their quality and ready availability will always be a significant factor in the success of this constantly evolving, innovative program.

7) USAID needs continuing AID/W policy support of the concept that relatively small inputs of AID-financed local currency will greatly enhance USAID's credibility and effectiveness in the program areas in which we are deeply involved.

8) AID/W, USAID, and the GOK must face the fact that there are a multitude of logistical, personal, and administrative problems to be faced by a new American group settling down in remote, rural Vihiga. We want these people to perform a maximum of substantive work and to become involved in a minimum of shock and administrative trauma. A great deal of time and effort needs to be devoted by all concerned to helping FAMU in the early stages of their participation in this project.

9) It is assumed that Michigan and MSU will play active roles in assisting FAMU in recruitment and other project matters and, generally, in bringing to bear on the Vihiga project the accumulated development knowledge and experience of the academic community.

10) Flexibility will be desirable on the part of both AID/W and GOK to permit actions in between annual ProAgs that will permit the initiation of high potential new experiments that suddenly emerge as opportunities, or that will support ongoing activities in highly effective ways not specifically envisaged at that cutoff point in time represented by the date of ProAg signing.

11) In view of the fact that PFP is implementing the small industries sector of the program with highly skilled technicians virtually donating their time, it will be desirable for AID and the GOK to find some very flexible ways of supporting them.

12) The GOK will need to continue its internal efforts to mount effective interministry support for the labor-intensive roads program.

13) Family planning activities in the Ministry of Health have recently been placed under the direction of a highly qualified well motivated Kenyan. The program for Vihiga, under Inputs and Budget, is under active review and is in need of policy-level support.

14) The experience of other developing countries in experimental multidisciplinary approaches to rural development and in individual sector programs is potentially of great value to the Vihiga

program. Policy support on the part of GOK and AID/W officials for short-term observation trips would be helpful.

15) In view of the priority officially accorded to SRDP by the GOK, it is assumed that Kenyan personnel will be assigned to the project as agreed on a priority basis and that they will not be unduly distracted from SRDP work by other requirements imposed by the Division, District, and Province. It is assumed that an adequate number of Kenyans in training institutions have been earmarked for duty in Vihiga upon completion of their training.

16) It is assumed that no serious budgetary or logistical problems will impede the provision of physical inputs that the GOK has agreed to make available to the project.

17) Similarly, it is assumed that U.S. physical inputs will be made available in a timely fashion.

18) It is assumed that the ongoing activities of other donors in Vihiga will be continued.

#### E. Rationale

The Vihiga project was selected over possible alternative uses of limited U.S. personnel and funds in Kenya because the Special Rural Development Program, for which Vihiga serves as one of the pilot areas, has been accorded a very high priority by the GOK, and because this type of program is one that USAID believed could be effectively supported by the U.S. The Vihiga pilot area itself was selected because its dense smallholder farming population seemed to typify a problem to be faced throughout much of Africa in years to come and because the assistance needed primarily in the agriculture sector seemed to be particularly appropriate for us to undertake.

The Five Year Plan emphasis on rural development stems from concern regarding the economic, political, and social problems that have arisen as the result of the drift toward urban areas. While it is recognized that this tendency cannot be reversed and that certain direct actions must be taken in the cities, the Plan, nevertheless, seeks in every way possible to make the rural areas more attractive through efforts to increase employment and income and to improve social services and physical surroundings.

The small-holder subsistence farmer presents a particular economic and social problem, because of his large numbers, his low income, and his increasing awareness that others enjoy a better life. Thus, the Plan seeks ways of bringing these people into the modern cash economy so that they will not require social subsidies and will be active stimulants to economic growth in their communities. Much of the program in Vihiga will focus on the small-holder farmer.

⇒ In the 1967-69 Progress Report on the Puebla Project being carried out by the "Centro Internacional de Mejoramiento de Maiz y Trigo" (CIMMYT), the

same general question is addressed as follows:

"How can the large traditional sector be transformed into viable modern farming? Because of lack of resources and lack of knowledge on how to reach the large number of small farmers, governmental yield increase programs are usually aimed primarily at the commercial farming sector. Yet attention to the traditional sector is crucial for at least three reasons: 1) it accounts for an important part of the arable land in many countries and, consequently, yields must be increased to satisfy total food requirements; 2) in many nations most of the human resources are being used in traditional agriculture and the most likely source of increased capital from within is an improved agriculture; and 3) traditional farmers make up a large portion of the population of many countries and continuous improvement is needed to attain humanitarian goals of national policy. These considerations lead to the conclusion that efficient strategies must be developed to stimulate traditional farmers to adopt better production methods."

F. Course of Action

1. Recruitment and installation of the permanent FAMU team prior to February, 1972, maize planting season.
2. Mounting of the second-year maize program, taking account of the experience gained during the first year.
3. Completion, during FY 1972, of plans for other agriculture programs and for programs in other sectors.
4. Negotiation of the FY 1972 ProAg.
5. Marshalling of AID and GOK inputs to the field.
6. Preparation by FAMU of the contractor's work plan.
7. Implementation of the programs other than maize.
8. Continuing efforts to build up the Kenyan organization in the field.
9. Continuing discussions of policies, programs, and funding actions in Nairobi.
10. Preparation of the life-of-the-project PROP.
11. Evaluation of the Vihiga program
12. Application of Vihiga successes in other rural areas.