

611-0075

PD-APG-765 - B1

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UNCLASSIFIED

(2)

PROJECT NUMBER  
ZAF  
Cultural Training, Planning,  
and Institutional Development  
(611-0075)

UNCLASSIFIED

SEP - 5 1980

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR FOR AFRICA

*D. W. Kuehling*

FROM : AAA/AFR/DB, ~~John W. Koehring~~

SUBJECT: Project Authorization

**Problem:** Your approval is required for a Grant of \$4,785,000 from the Section 531, Economic Support Fund appropriation, to the Government of the Republic of Zambia (GRZ) for the Agricultural Training, Planning and Institutional Development Project (611-0075). It is planned that a total of \$1,000,000 will be obligated in FY 1980.

**Discussion:** The proposed project represents A.I.D.'s response to a critical need for improving agricultural planning, analysis and management activities in Zambia, which was addressed in the FY 1982 CDSS. The project will contribute to the goal of increasing Zambia's per capita food production and incomes of small farmers. The purpose and principal focus of the project is to assist the GRZ in improving and strengthening its capacity for analysis, planning, and management in the agricultural sector through extensive training of relevant GRZ agricultural officials and analysis of critical problem areas constraining agricultural development. The project will provide the resources necessary to identify training requirements through a series of analyses, so that subsequent training will be supportive of improvements in the agricultural system. It is anticipated that between 60,000 and 120,000 emergent farmers could ultimately benefit from the training, information and knowledge generated by this activity.

In order to accomplish the purpose of this project, a total of \$1,000,000 is requested for obligation in FY 1980. The life-of-project funding is \$4,785,000, which will be expended over a 3-year period. It is anticipated that if the evaluation to be undertaken during the third year of this project indicates that the project has been successful, a two-year follow-on project activity will be recommended, which could increase the total life-of-project funding for this activity over five years to \$9,755,000. The following table illustrates the specific areas in which funds will be required:

	FY 1980		\$000		
	FX	L/C	Total	3-Year L. O. P.	5-Year L. O. P.
Technical Assistance	380.0	—	380.0	2,025.0	3,445.0
Training	336.0	—	336.0	1,222.0	2,414.0
Commodities	153.0	70.0	223.0	427.0	696.0
Other*	59.0	2.0	61.0	1,111.0	3,200.0
Totals	928.0	72.0	1,000.0	4,785.0	9,755.0

\* Includes inflation and contingency costs.

The GRZ will contribute the equivalent of \$1,451,000 to the project which will cover salaries of long and short-term participants, office space and training facilities, and nearly all costs for operating vehicles and other equipment.

It has been concluded from the Project analysis that:

- (1) the project approach is technically and economically sound and socially acceptable and environmentally has no adverse impact;
- (2) the technical design and cost estimates are reasonable and adequately planned pursuant to Section 611(a) of the Foreign Assistance Act of 1961, as amended (the "FAA");
- (3) the timing and funding of project activities are appropriately scheduled;
- (4) sufficient planning has been done for the implementation, monitoring and evaluation of project progress; and
- (5) all statutory criteria have been satisfied.

As a result of this project, it is anticipated that there will be at its conclusion:

- increased investment of resources in the agricultural sector;
- a more coherent and effective agricultural sector strategy;
- an increase in the availability and utilization of information needed for managing the agricultural sector;
- improved design and execution of agricultural projects in small farmers areas;
- improved procedures in analysis, planning and management in the National Commission for Development Planning (NCDP), and the Ministry of Agriculture and Water Development (MAWD), and other appropriate institutions.

The Initial Environmental Examination has been thoroughly reviewed, and a negative determination has been recommended by the AID Representative in Zambia. Your approval is required (See Attachment B).

There are two covenants which can be found in the attached Project Authorization (See Attachment C).

The following waiver is required:

-- Waiver of the source and origin requirements from A.I.D. Geographic Code 000 (U.S.) to Code 935 (Special Free World) for the procurement of four vehicles which have an approximate cost of \$73,000 and waiver of the requirements of Section 636(1) of the FAA. The justification for this waiver can be found in Annex E of the Project Paper.

A Project Review was held on July 2, 1980. The issues raised at this meeting were fully resolved at a subsequent Project Review held on August 11, 1980.

A Congressional Notification was submitted on August 27, 1980 and the notification period expires on September 10, 1980. The responsible AID officer in the field will be the A.I.D. Representative, or his designee, and the AID/W backstop officer will be Mr. Alfred Harding, AFR/DR/SAP.

There are presently no significant human rights issues in Zambia.

Recommendation: That you sign (1) the attached Project Authorization, thereby authorizing the proposed project and the requested waiver, and (2) the attached IEE.

Attachment:

- A. Project Authorization
- B. IEE
- C. Project Paper

Clearances:

DAA/AFR:WHNorth [Signature]  
AAA/AFR/DP:ESTacy [Signature]  
AFR/DR:NCohen [Signature]  
AFR/SA:MDagata [Signature]  
AFR/DR/SAP:WWolff [Signature]  
AFR/DR/ARD:BWhittle [Signature]  
AFR/DR/EHR:Waffle draft  
AFR/DR/SAP:JHester JH 9/4/80  
GC/AFR:NFrame draft [Signature]  
SER/COM/ALI:PHagan [Signature]  
AFR/SA:LPompa [Signature]

AFR/DR/SAP:AHarding:bj:s:9/2/80:x28818

PROJECT AUTHORIZATION

Name of Country:                   Zambia

Name of Project:                   Agricultural Training,  
  Planning and Institutional  
  Development

Number of Project:                 611-0075

1. Pursuant to Sections 531 and 533 of the Foreign Assistance Act of 1961, as amended (the "Act"), I hereby authorize the Agricultural Training, Planning and Institutional Development Project for Zambia (the "Cooperating Country") involving planned obligations of not to exceed \$4,785,000 in grant funds over a three-year period from date of authorization, subject to the availability of funds in accordance with the AID OYB/allotment process, to help in financing foreign exchange and local currency costs for the project.

2. The project consists of assisting the Cooperating Country in improving and strengthening its capacity for analysis, planning and management of activities in the agricultural sector, through extensive training of agricultural officials and analysis of critical problem areas constraining agricultural development. The project will provide the resources necessary to identify training requirements through a series of analyses, so that the training provided will support improvements in the agricultural system. It is anticipated that if the evaluation to be undertaken at the end of this activity indicates that the project has been successful, a two-year follow-on activity will be considered.

3. The Project Agreement, which may be negotiated and executed by the officer to whom such authority is delegated in accordance with AID regulations and Delegations of Authority, shall be subject to the following essential terms and covenants and major conditions, together with such other terms and conditions as AID may deem appropriate.

4.A. Source and Origin of Goods and Services

Goods and services, except for ocean shipping, financed by AID under the project shall have their source and origin in the Cooperating Country or in the United States, except as provided in

paragraph C. below, and except as AID may otherwise agree in writing. Ocean shipping financed by AID under the project shall, except as AID may otherwise agree in writing, be financed only on flag vessels of the United States.

B. Covenants

- (1) The Cooperating Country shall covenant that the criteria set forth in Annex I of the Project Paper will be followed in carrying out the analyses to be undertaken in this project.
- (2) The Cooperating Country shall covenant that in order to assure maximum impact of AID-financed project inputs and to avoid duplication, it will use existing government mechanisms, or will create new ones to formulate policy and directives for the project to assure conformance with overall project objectives and criteria. AID is to be fully involved in this process especially as it pertains to the identification of projects, assessments, training and institutional development activities to be undertaken and to the development of analyses, training and institutional support plans aimed at improving performance in the areas of information gathering, analysis, planning, decision making and day-to-day operations. The mechanisms will be used periodically and/or whenever either AID or the Cooperating Country deems it necessary in furtherance of project objectives.

C. Waivers

Based upon the justification contained in Annex E of the Project Paper, I hereby:

- (1) Approve a source/origin waiver from AID Geographic Code 000 (U.S.) to Code 935 (Special Free World) to permit procurement of 4 vehicles at an approximate cost of \$73,000;
- (2) Certify that exclusion of procurement from Free World Countries other than the Cooperating Country and countries included in Geographic Code 941 would seriously impede attainment of U.S. foreign policy objectives and objectives of the foreign assistance program; and

(3) Certify that special circumstances exist to waive, and do hereby waive, the requirements of Section 636(i) of the Act.

Date:

Sept 10 1951

G. T. Butcher  
Goler T. Butcher  
Assistant Administrator  
for Africa

Clearances: As Shown on Action Memorandum

INITIAL ENVIRONMENTAL EXAMINATION

Project Location: Zambia  
Project Title: Agricultural Training, Planning and Institutional Development  
Project Number: (611-0075)  
Life of Project: Five Years (with a three-year authorization)  
IEE Prepared by: Alfred Harding, AFR/DR/SA  
Date Prepared: August 19, 1980  
Environmental Action Recommended: Negative Determination  
Concurrence/Approval: *MV* Martin V. Dagata, Director, AFR/SA

Assistant Administrator's Decision:

Approved: *MV*

Disapproved: \_\_\_\_\_

Date: *Aug 19, 1980*

Clearance: AFR/DR/SDP; JHester *JH* Date: *9/4/80*

## INITIAL ENVIRONMENTAL EXAMINATION

### Summary Project Description

This project is directed toward improving agricultural planning analysis and management activities in Zambia. The purpose and principal focus of the project is to assist the Government of The Republic of Zambia (GRZ) in improving and strengthening its capacity for analysis, planning and management of relevant GRZ agricultural officials, and analysis of critical problem areas constraining agricultural development. The project will provide the resources necessary to identify training requirements through a series of analyses, so that subsequent training will be supportive of improvements in the agricultural system.

### Environmental Impact

This project poses no negative impact to the physical environment. There may be some positive impact on the human environment through expanded access to educational opportunities. These opportunities, however, are considered to be beneficial and will not require further environmental study.

### Recommendation

In the absence of any foreseeable unfavorable environmental effects, it was the view of the PID design team that no further environmental analysis was necessary. The PID approval cable (State O31365, Annex D) did not require any further environmental analysis. Accordingly, a negative determination is recommended.

AGENCY FOR INTERNATIONAL DEVELOPMENT  <b>PROJECT PAPER FACESHEET</b>		1. TRANSACTION CODE <input type="checkbox"/> A ADD <input type="checkbox"/> C CHANGE <input type="checkbox"/> D DELETE		PP  2. DOCUMENT CODE 3
3. COUNTRY/ENTITY ZAMBIA		4. DOCUMENT REVISION NUMBER <input type="text" value="02"/>		
5. PROJECT NUMBER (7 digits) <input type="text" value="611-0075"/>	6. BUREAU/OFFICE A. SYMBOL AFR	B. CODE <input type="text" value="06"/>	7. PROJECT TITLE (Maximum 40 characters) <input type="text" value="Ag. Training, Planning &amp; Inst. Develop."/>	
8. ESTIMATED FY OF PROJECT COMPLETION FY <input type="text" value="85"/>		9. ESTIMATED DATE OF OBLIGATION A. INITIAL FY <input type="text" value="80"/> B. QUARTER <input type="text" value="4"/> C. FINAL FY <input type="text" value="82"/> (Enter 1, 2, 3, or 4)		

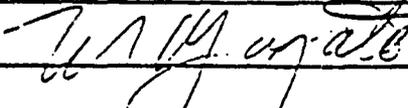
10. ESTIMATED COSTS (\$000 OR EQUIVALENT \$) -						
A. FUNDING SOURCE	FIRST FY			LIFE OF PROJECT		
	B. FX	C. L/C	D. TOTAL	E. FX	F. L/C	G. TOTAL
AID APPROPRIATED TOTAL						
(GRANT) ESF	( 978 )	( 22 )	( 1000 )	( 4,496 )	( 287 )	( 4,785 )
(LOAN)	( )	( )	( )	( )	( )	( )
OTHER U.S. 1.						
2.						
HOST COUNTRY	—	98	98	—	1,451	1,451
OTHER COUNTRY						
TOTALS	978	120	1098	4,496	1,393	6,236

11. PROPOSED BUDGET APPROPRIATED FUNDS (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE		E. 1ST FY <u>80</u>		H. 2ND FY <u>81</u>		K. 3RD FY <u>82</u>	
		C. GRANT	D. LOAN	F. GRANT	G. LOAN	I. GRANT	J. LOAN	L. GRANT	M. LOAN
(1) ESF				1000		1451		2,334	
(2)									
(3)									
(4)									
TOTALS									

A. APPROPRIATION	N. 4TH FY		O. 5TH FY		LIFE OF PROJECT		12. IN-DEPTH EVALUATION SCHEDULED
	C. GRANT	F. LOAN	R. GRANT	S. LOAN	T. GRANT	U. LOAN	
(1) ESF					4,785		<input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="2"/>
(2)							
(3)							
(4)							
TOTALS					4,785		

13. DATA CHANGE INDICATOR. WERE CHANGES MADE IN THE PIO FACESHEET DATA, BLOCKS 12, 13, 14, OR 15 OR IN PRP FACESHEET DATA, BLOCK 12? IF YES, ATTACH CHANGED PIO FACESHEET.

1 NO  
 2 YES

14. ORIGINATING OFFICE CLEARANCE SIGNATURE  TITLE Director, Southern African Affairs		DATE SIGNED <input type="text" value="15"/> <input type="text" value="12"/> <input type="text" value="86"/>	15. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION <input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="2"/>
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## PART I - SUMMARY AND RECOMMENDATIONS

### A. Recommendations

1. That you authorize a 3-year grant to the Government of the Republic of Zambia (GRZ) for \$4,735,000. Prior to the termination of the third year, an evaluation of the project will be undertaken to determine whether the project should be continued for an additional two years.

2. That you approve the vehicle waiver contained in Annex E to this Project Paper for \$73,000. Waiver of source and origin requirements from A.I.D. Geographic Code 000 (U.S. only) to Geographic Code 935 (Special Free World) is requested.

### B. Summary

#### 1. Project Goal

The goal of the project is to assist the GRZ in increasing Zambia's per capita food production and in increasing the incomes of small farmers.

#### 2. Project Purpose

The purpose of the project is to improve and strengthen GRZ's capacity for analysis, planning, and management in the agricultural sector through extensive training of relevant GRZ agricultural officials and analysis of critical problem areas constraining agricultural development.

#### 3. Project Approach

Human resources constraints, and, thus, training requirements, and policy and organizational deficiencies in these institutions will be identified through a series of analyses so that subsequent training is keyed to improved system performance. AID funded technical assistance personnel will assist in the formulation and implementation of the analyses. The project will consist of two components: The analyses and training; and general support services.

Based on the premise that trained human resources effectively placed and utilized are a prerequisite to improve agricultural performance, the analyses will analyze critical sub-sectors by identifying constraints that can be reduced or eliminated by well-trained human resources, as well as suggest inter alia, adjustments and changes in policy, organization and staffing. Each analysis will be designed and carried out with reference to three basic characteristics:

- a. It will be aimed at the attainment of two main goals:
  - increasing Zambia's per capita food production; and
  - increasing the incomes of small farmers.
- b. It will be aimed at the easing of four major constraints to the two goals, namely:
  - an insufficiency of resources allocated to agriculture;
  - the lack of a coherent and effective agricultural sector strategy;
  - major knowledge and information gaps, particularly in the areas of agricultural research of relevance to small farmers, basic agricultural statistics, and small farmer behavior; and,

poor design and, above all, poor execution of projects meant to benefit the small farmer; particularly at the decentralized level of province, region and locality.
- c. The first step, an analysis, is of a specific sub-sector or problem - area, 1/ the understanding of which is deemed important for the easing of one or more of the constraints and the attainment of the two goals.

Each of these will begin with an analysis by GRZ officials with the guidance and support of specialized U.S. TDY consultants. The completed analysis will identify the constraints and needed training as well as possible adjustments in policies, organization and staffing. It is expected that the identified training requirements will include participant training, and third-country training. 2/

1/ Examples of these sub-sectors or problem area are small farmer costs and technologies, pricing policies, agricultural statistics, decentralization of agricultural programs and recurrent costs of alternative agricultural programs

2/ Some of the in-country training may take place in the involved GRZ institution, such as MAWD or NAMBOARD.

The general support services component will include a resident advisor to the National Commission for Development Planning (NCDP) and a resident advisor to the Ministry of Agriculture and Water Development (MAWD). These two advisors will provide technical guidance to GRZ officials involved in:

(1) arranging for various initial participant, third-country and in-country training programs that are identified as needed prior to the initiation of the analyses; (2) formulating and carrying out the analyses; (3) implementing the training plans that emerge from the analyses; (4) identifying the positions which have been vacated by trainees and need to be filled by OPEX personnel; and (5) strengthening agricultural performance through, inter alia, consideration of adjustments and changes in policy, organization and procedures suggested by the analyses.

#### 4. Inputs

The AID contribution will consist of: (1) two long-term resident advisors (120 person months); (2) short-term consultants (90 pm); (3) OPEX personnel (240 pm); (4) long-term participant training (840 pm); (5) short-term U.S. and third country training (180 pm); (6) in-country training (20 short courses); (7) commodities, office equipment and supplies, data processing, vehicle maintenance and operating costs; (8) inflation and contingency cost factors.

The GRZ will contribute: (1) salary costs for personnel to support the general and study-action programs (500 pm); (2) salaries for long, short, and in-country trainees (1290 pm); (3) per diem costs for field surveys and in-country training; (4) support to OPEX personnel; (5) office space and training facilities; (6) operating costs, equipment and supplies; (7) inflation and contingency cost factors.

#### 5. Financial Summary

The total cost of the 3-year project component recommended for authorization in FY 80 is \$5,987,000 (FY 1980-1982). Of this amount AID will contribute \$4,785,000 and the GRZ the equivalent of \$1,451,000 or 23.2%

## Part II. Background and Detailed Description

### A. Zambian Agriculture and the Rural Poor: Major Problems, Objectives and Constraints

Four major conclusions emerged from a review of Zambian economic trends since Independence in 1965 in the preparation of AID's first CDSS. 1/ First, exceptionally poor Zambian performance with respect to both growth and equity antedates the 1975 drop in copper prices and tends to characterize the entire post-Independence period. Second, this poor performance can be attributed in large part, and perhaps in major part, to inadequate GRZ management of a comparatively complex and centralized economy. Third, despite Zambia's comparatively high rate of urbanization, and despite the growing unemployment in urban areas, the overwhelming majority of the poor are composed of small farmer households in the rural areas. Fourth, as well as being a major equity goal, increasing the income and, therefore, the purchasing power of this poor majority, is a pre-condition of sustained economic growth.

The CDSS proposed an AID assistance program directed towards the achievement of two basic GRZ objectives: (1) to increase total land production; and (2) to increase the incomes of small farmers.

The analysis which led to the conclusion that considerable improvement in GRZ performance is a sine qua non for achieving sustained growth with equity, served to identify four principal constraints to attainment of the two selected objectives. These are: (1) an insufficiency of resources allocated to agriculture; (2) the lack of a coherent and effective agricultural strategy 2/; (3) major knowledge and information gaps, particularly in the areas of agricultural research of relevance to small farmers, basic agricultural statistics, and small farmer behavior, and (4) poor design and, above all, poor execution of projects meant to benefit the traditional farmer, particularly at the decentralized level of province, region and locality.

The AID strategy in Zambia is to help the GRZ increase food production and small farmer income by significantly easing the four major constraints specified above. If successful, the Zambian Agricultural Training, Planning, and Institutional Development (ZATPID).

1/ Assessment of the AID strategy calls for a reading of the CDSS.

2/ This has also been described as misguided policies and inadequate policy-making processes, with particular emphasis on pricing.

project will improve the GRZ's performance, and strengthen its capacity for analysis, planning and management, in the agricultural sector. By contributing to human resource development, and by strengthening policy and decision-making processes in the GRZ, the project hopes to bring about more effective and efficient utilization of Zambian resources, as well as donor resources.

#### B. GRZ Commitment and AID Negotiations with the GRZ

Zambia's Third National Development Plan (TNDP) covers the period 1979-1983; sets forth various worthy goals, with considerable prominence given to the increase of total food production and the incomes of small farmers; but, as is usually the case, fails to specify the empirically tested, financially feasible, and reasonably reliable means needed for achieving these two objectives.

The GRZ is aware of the fact that it lacks a coherent and effective agricultural sector strategy. At the invitation of President Kaunda, Rene Dumont (a well-known defender of the rural poor in Africa) has written a highly critical report of Zambian post-Independence performance. The report coincides in various respects with the AID analysis.

The GRZ appears to be genuinely committed to improving the lot of its rural poor. Admittedly, insufficient resources for agriculture, particularly the small farmer, has been identified as one of the four major constraints. However, to view it as the only constraint, or even as the major constraint, would be a serious mistake. Issues involving the content of investment in Zambia agriculture are at least as important as the issues of the appropriate level of total investment. In short, increasing the amounts of resources allocated to agriculture will not, by itself, bring about increased food production and small farmer income.

Various observers of the Zambian post-Independence experience have shown how well-intentioned programs involving substantial expenditures in areas such as credit, extension and marketing have had undesirable effects which were radically different from the results expected. The GRZ itself has pointed out its difficulties in absorbing foreign assistance. Both the GRZ and foreign lenders appear to have overestimated Zambia's current absorptive capacity. Loan funds are currently being utilized at a considerably slower rate than planned. For example, the originally estimated transfer of funds from abroad under previously made loan agreements had been set as \$110.6 million, \$80.0 million and \$99.2 million for the years 1976, 1977, and 1978. However, the rate of execution of externally-financed projects was slower than expected, and the actual drawings were \$52.9 million, \$57.8 million and \$47.2 million. This was only 45.5% of the anticipated inflow for the three years in question.

According to the 1980 budget speech of the Minister of Finance, disbursements of foreign assistance agencies during 1979 was \$112.1 million, 64% of the anticipated transfers. The Ministry of Agriculture and Water Development has highlighted various difficulties it faces in formulating and implementing policy. For example, it has called for "decentralization" in agriculture, but is frank to admit that it does not know precisely what such a policy should entail. In discussions with AID, GRZ officials have also referred to difficulties in coordinating donor assistance. In sum, the four constraints addressed by the ZATPID areas of explicit GRZ concern.

Successful execution of the ZATPID project will require a strong collaborative relationship between AID and the GRZ, particularly with the two main entities involved, MAWD and NCDP. The feasibility of establishing such a relationship has been partially tested. ZATPID negotiations with the GRZ have been channeled through the NCDP, which has recently been given a greater coordinating role, at the insistence of President Kaunda. As a first step, the AID/Zambia Representative sent CDSS sections VIII, "AID and GRZ Objectives", IX, "The Major Constraints and the AID Strategy" and X, "AID Strategy Options" to the GRZ for review about two weeks prior to the arrival of the REDSO/EA three-person PP team. After the team's arrival and some preliminary meetings, a five-page preliminary description of this project was sent to NCDP for review and assessment. After review and discussion within the GRZ, AID/Zambia and the REDSO PP Team had two meetings in the NCDP, a preliminary meeting with NCDP officials and a final meeting of negotiation with representatives of all the involved GRZ entities. At the latter meeting on April 28, 1980 the GRZ gave its approval to the project in the document noted above.

### C. Project Strategy and Operations: A Collaborative Problem-Solving Approach

#### 1. Approach

The central purpose of the project is to improve the GRZ's performance and strengthen its capacity for the analysis, planning and management in the agricultural sector to contribute to an increase in Zambia's per capita food production and the incomes of small farmers. Achieving this purpose will require: (1) increased investment of resources in the agricultural sector; (2) a more coherent and effective agricultural sector strategy; (3) an increase in the availability and utilization of information needed for managing the agricultural sector; (4) improved design and execution of agricultural projects in small farmer areas; (5) improved procedures in analysis, planning, and management in NCDP, MAWD, and other appropriate institutions. See Annex H, Analysis of GRZ institutions.

A basic premise of the project is that it is only the GRZ that can establish the process to bring about these changes and that a collaborative project, such as the present one, can make a significant contribution to the establishment of this process. The main elements of the project will be: (1) collaborative analysis to identify human resource and other constraints, and policy and organizational defects and deficiencies; (2) U.S., in-country and third country training; (3) institutional development activities, i.e., encouraging adjustments and changes in policies, organization and methods. Technical assistance in the form of resident advisors, short-term consultants and OPEX personnel will constitute support services for designing and implementing the training and institutional development actions.

The project approach will have two other general features which should be kept in mind. First, the human resource constraints and training plans will emerge from the analyses. In other words, the completed analyses are expected to pinpoint high-priority training needs, as well as possible adjustments and changes to policies, organization and methods needed to assure proper use of trained personnel.

Second, a certain amount of modification in the nature of the collaborative activities will take place during the life of the project. Many areas of agricultural analysis, planning and management are presently lacking in information, and a basic purpose is to establish a continuous learning process in the GRZ. As this learning takes place, GRZ and AID perceptions and priorities are likely to undergo change. Successful implementation of the project will require close collaboration, periodic formative evaluations and consequent alteration in content or design. Thus, it should be kept in mind that the Illustrative Implementation Plan is, indeed, "illustrative."

## 2. General Support Activities

As can be seen in the Illustrative Implementation Plan, the project will consist of general support activities and analyses and training. The general support activities constitute the basis for the operation of the project and for certain basic institutional developments. One full-time resident advisor for the life of the project will be provided to NCDP and another to MAWD.

These two advisors will be responsible for: (1) helping assure the needed GRZ/AID collaboration; (2) helping assure the needed coordination among selected GRZ entities, e.g., NCDP, MAWD, CSO, NAMBOARD, MOF, and UNZA; (3) preparing analyses and training plans with the appropriate GRZ entities; (4) assuring the proper selection and the timely arrivals of specialized consultants who will assist the GRZ in the preparation and execution of the analyses; (5) monitoring and assessing the work of the specialized consultants; (6) providing general technical

assistance to NCDP and MAWD in the pursuit of the two objectives and the easing of the four constraints; (7) collaborating with the GRZ in the selection of candidates for training, and in the evaluation of their post-training utilization; (8) assisting the GRZ in the selection of OPEX services; (9) preparation of quarterly project status reports; (10) other high priority activities as determined by the AID/Zambia Representative.

Two kinds of institutional development training programs will take place under the general support activities. The Implementation Plan calls for two groups of seven candidates who will depart for the U.S. to begin graduate level programs. One group begins in Sept. 1981, the second group in Sept. 1982. The bulk of the training to be carried out under this project will emerge from the analyses which will lead to fairly precise definition of problems and corresponding training needs. However, the analyses will be carried out over the life of the project and making all training dependent on the analyses will delay this important input considerably. In addition, important training for strengthening GRZ capacity for management in the agricultural sector can now be determined, and will be determined jointly by AID/Zambia and the GRZ. The following criteria will be applied to the initial training programs for each participant selected. The programs must: (1) address both of the two project goals (i.e.,) (a) increase Zambia's per capita food production or (b) increase the incomes of small farmers); (2) address at least one of the four identified constraints to the attainment of these goals (i.e., (a) insufficiency of resources allocated to agriculture; (b) inappropriate policies and inadequate policy-making processes, with particular emphasis on pricing; (c) major knowledge and information gaps, particularly in the areas of agricultural research of relevance to traditional farmers, basic agricultural statistics, and traditional farm behavior; and (d) poor design and execution of projects meant to benefit the traditional farmer, particularly at the decentralized level of province, region and locality); (3) address one or more of the sub-sectors or problematic areas such as the illustrative analyses listed in the Illustrative Implementation Plan; (4) avoid duplication of other donor efforts; (5) support only those participants who are, or will be, assigned to established positions; (6) maximize, to the extent feasible, the participation of women in the development process.

The following areas will be among those considered: agricultural economics; development economics; development administration; monetary and fiscal policy; business administration; regional analysis and planning. 1/

The other kind of training programs will be short-term, in-country and third-country training at selected institutions, e.g., EMA, PAID, etc.

### 3. Analyses to Identify Constraints and Training Requirements

The primary purpose of the analyses is to identify constraints and pinpoint high priority human resource development needs (i.e., training), and to analyze and increase understanding of serious problems in the agriculture sector. Thus, they are broader than human resources (or manpower) surveys and seek to address the problem of improving GRZ performance by analysis of sub-sector or problem areas that are basic to progress. In addition to identifying constraints and specific training needs, the analyses will focus on adjustments and changes in policy, organization, staffing and procedures that the GRZ will act upon. Training under the project will reinforce and strengthen GRZ professional capabilities and could complement future AID agriculture sector interventions in Zambia in the form of an agricultural sector loan or grant within the next few years.

The preliminary project proposal reviewed by the GRZ identified agricultural sub-sectors and/or problem-areas of relevance to the two selected goals and the four board constraints to the achievement of these goals. The illustrative Implementation Plan lists sub-sectors or problem areas, a number of which will be analyzed under this project.

Generally speaking, the analyses to be carried out under the project will have the following features or internal sequences in common: (1) the NCDP and/or MAWD U.S. resident advisor will arrive at a preliminary definition of the analysis in question in collaboration with the appropriate GRZ entities; (2) the advisor will identify and contract the appropriate U.S. consultants; the GRZ entities, in consultation with the advisor, will select the Zambian collaborators, and a rough, tentative work-plan will be prepared; the GRZ collaborators carry out the necessary preliminary work (such as the listing, collection, and review of past work and preliminary identification of major information gaps); and, if practical, send appropriate material to the U.S. consultants for their

1/ Once again, the above list is illustrative, and is composed of examples of professional skills needed for addressing the four constraints and sub-sector of problem areas (see next section). For instance, professional in NCDP with skills in public and business administration programs and programs aimed at reducing the inefficiency of parastatals, and easing the first constraint of insufficient resources for agriculture; anthropology/sociology training is appropriate for dealing more effectively with the problems of the emergent and traditional farmer; agricultural and development economics is pertinent to improved policy; public administration may be particularly useful for dealing with decentralization issues, etc.

pre-travel preparation; (3) the first consultant TDY in Zambia will specify major information gaps and areas requiring analysis, prepare a study scope (questions, problems and issues to be addressed), methodology and work plan; (4) the analysis will be executed in accordance with the work plan, including short-term visits of consultants when and if needed; (5) the final documentation and reports will be prepared with consultant assistance, if needed, including findings and recommendations which will include, identification of constraints and a training plan as well as suggestions on institutional policy, organization and methods; (6) these training plans will then be carried out; (7) subsequent evaluation of the plans and related programs will take place at the appropriate time.

As suggested, the sequence of the analyses will affect the final selection. For example, the results of the initial program, "Review and Assessment of Studies and Donor Activities in Agriculture", will serve to highlight both the need for analyses not presently listed, and areas previously explored in sufficient depth to warrant the removal of some topics from the present list.

The GRZ has pointed to the need for better coordination among the entities involved in agriculture, and to the need for better information for policy-making and management. The establishment of analysis teams composed of officials from different GRZ entities will be a first step towards better coordination. The review of past analyses (most of which were prepared by foreigners, without sufficient collaboration by Zambians, and without the related opportunity for Zambian apprenticeship) should contribute to the international and dissemination of useful information in the GRZ, the avoidance of unnecessary repetitions and duplications, the highlighting of major information gaps, and desirable reassessments of problems and priorities.

In conversations with AID, the GRZ has expressed the need to get a better picture and understanding of what the many donors are doing in agriculture. Conceivably, the GRZ might decide to carry out the review and assessment of donor activities separately from the analyses. In any case, an examination of donor activities in agriculture as well as the review of past studies, would appear to be the logical first steps or points of departure for this project.

As pointed out in the CDSS, in 1978 the UNDP listed over 50 different institutions giving \$56.3 million in technical assistance to Zambia. AID was concentrated in agriculture, health, education, industry, planning, transport, communications and natural resources. In the agriculture sector alone, there were 108 different projects with more than 200 foreign technicians. It is clear that Zambia cannot provide an equal number of counterparts who could be trained to carry on the projects after the technicians depart.

Urgency as well as high priority have also been assigned to analyses 2,3,4 and 5 of the Implementation Plan. Problem area No. 1, Agricultural Statistics:

Problems, and Possible Solutions", will be focused on helping the CSO remove the data collection and data processing bottlenecks that are presently resulting in, reportedly, as much as two and three-years delays in publication. It would be highly desirable to respond to a preliminary, but extremely important, CSO request for assistance in expanding CSO capabilities for analysis.

There are various reasons for the early listing of analysis No. 3, Rural Population: Analysis and Interpretation of the 1980 Census, and the Results of Agricultural Surveys, including the Socio-Cultural Characteristics, Technologies and Costs of Production of Traditional Farmers. The execution of the Population and Housing Census in 1980 is most opportune for ZATPID purposes. As well as an up-to-date picture on the geographic distribution and age profile of the population, the census will provide information bearing on two topics which are central to the two goals of increasing per capita food production and small farmer income. These topics are (1) geographically disaggregate fertility and population growth rates (by region and locality), household composition and ages and the relation of these factors to food production, consumption and nutrition; (2) geographic distribution of women-headed households and the relation of these to food production and family income.

Analysis and interpretation of the 1980 census, with special emphasis on such areas as fertility, women and the migration of males, will contribute to dealing with population problems and the special problems of women-headed households on a geographically disaggregate basis, with consequent increases in effectiveness, and with consequent economies in the use of resources. It should help reverse the widespread tendency to prescribe broad remedies and solutions to problems which are not well understood, i.e., to initiate nation-wide programs before the problems in question have been subjected to empirical examination and analysis. For example, it would appear that decisions concerning the appropriate kinds of new family planning programs for Zambia should await the results of this study.

By linking the 1980 census to a review and assessment of past surveys and studies of traditional farmers it may be easier to determine which are the more important information gaps with respect to problems and regions. Here again the sequences of steps and dates in the Implementation Plan are to be viewed as illustrative.

No. 4, decentralization and implementation of agricultural programs for traditional farmers, focuses on another GRZ priority area. The analysis would be aimed at identifying all the constraints to effective decentralization, including the disincentives for living in outlying areas by professional and middle-level agricultural specialists. In this problem-area it may be easier to come up with recommendations than to get them accepted by policy-makers, and implemented by organizations such as MAWD and NAMBOARD. Execution of new policies may take much longer than the analysis itself.

No. 5, information bearing on agricultural pricing, past studies on pricing, effects of Uniform Pricing on the Commercial, Emergent and Traditional Farmers, and Current Pricing Procedures, corresponds to a problem-area which is extremely complex. Moreover, many competent observers have identified past and present pricing policies as a major constraint to Zambian agricultural development. Consequently, it is important that this analysis be initiated as soon as possible. As in the case of No. 2, this analysis is one which should provide considerable time for the review and summary of books and studies that have highlighted the undesirable effects of pricing and subsidy policies that are uniform across space and time. 1/

All of the analyses represent potential contributions to the reduction of the gaps in information of importance for policy and the formulation of a more effective and coherent sector strategy. As has been pointed out, priority rankings, rejections and selections will be necessary. Timing and scheduling of the analyses should make it possible to complete the ZATPID project with summary documents that reflect the major findings, conclusions and recommendations of the analyses.

The last-listed program, "Sequence of International, Analytical, Planning, Coordination and Decentralization Measures Required for Formulating and Implementing a Coherent and Effective Agricultural Sector Strategy" reflects the expectations that during the life of the project there will be substantial improvements in the GRZ's capacity for analysis, planning and management in the agricultural sector, and that the process of easing of the four major constraints to increase per capita food production and small farmer income will be unilaterally continued and strengthened by the GRZ.

1/ The extremely high priority of this problem-area for policy is such that the preliminary work of review and assessment of prior studies should get under way immediately.

#### D. Description of Inputs

Over the five years\* of the ZATPID Project, AID will provide financial assistance for: (1) two long term resident advisors (one in NCDP and one in MAWD) totaling 120 person months (pm); 90 pm of short term consultants; (3) up to 140 pm of OPEX personnel; (4) long-term U.S. training for approximately 35 Zambians for two years each (840 pm); 5 180 pm of short term specialized training in the U.S. and third countries; (6) support approximately 20 in-country training courses; (7) four project vehicles including operating costs, office equipment and supplies, and funds for data collection and processing. In addition this project will provide funds to cover \$354,000 in training commitments made under the Southern Africa Academic Skills Training Project (690-0083) which terminated in FY 1979.

The two long-term resident advisors are considered essential to carry out a collaborative project of this nature. Both advisors will have to be "senior level" persons with overseas experience who have proven themselves capable of working harmoniously with host country officials. For a list of the responsibilities of these advisors. See Section II C.2.

The short-term consultants will be primarily responsible for carrying out the 15 or so analyses envisioned under the project. (See Section II.C.3) Another important role for the consultants concerns the in-country training programs. The requirements for in-country training courses (approximately 20 are planned) will be identified and planned as part of each analysis. The consultant will have an important voice in determining what courses should be held, the curricula for the courses, and will often become instructors (or instruct instructors) for the course held in Zambia.

Operational experts (OPEX) have been successfully utilized in a number of Southern Africa countries in the post-independence era. For the most part, OPEX personnel funded by AID have filled the jobs of mid or senior officials in the host country while these officials receive long-term training in the U.S. This project will finance up to 20 years of OPEX services over the project's life to allow Zambian officials to undergo training in the U.S. The project does not plan for more than five OPEX personnel to be in Zambia at any one time. The 20 years of OPEX service will allow the GRZ to substitute expatriate personnel for almost 30% of the proposed 35 years of long-term U.S. training. Selection of OPEX personnel will be made jointly by AID and the GRZ at the same time as the annual training plans are approved.

The long-term U.S. participant training component (840 pm) of the project is tied directly to goals of this project and the constraints identified in reaching those goals. The criteria applied to the training program for each participant selected under the project have been noted earlier.

\*This project is for three years. It is anticipated that if the evaluation to be undertaken at the end of the third year indicates that the project has been successful, a two-year follow-on project will be recommended. While the person months, etc. shown here are for five years, they will, of course, be reduced proportionally to reflect a three year project. See Page 12.

The short-term specialized training component of the project will fund up to 180 person months of training in third countries and the U.S. Training at EAMI in Tanzania has been specified in the Illustrative Implementation Plan, but training in other third countries and the U.S. will also be considered to the extent it meets the project's training criteria outlined above. The short-term training plan, like the long-term training plan, should be reviewed and approved on an annual basis by AID and the GRZ. This annual exercise should not, however, force the short-term training plan to become rigid. There are numerous specialized training programs that are announced with short lead times and the annual TP should be flexible enough to allow for additions and modifications of the plan on short notice.

The in-country training courses will develop out of the analyses as described earlier in the PP. The project will support up to 20 courses in Zambia at a level of \$2,500 per course. These funds will be used to cover such items as training supplies and equipment, transportation expenses, and other miscellaneous expenses associated with each course. The GRZ will be expected to cover the per diem expenses of the participants.

AID will also provide funds for vehicles, office equipment, supplies, and data collection and processing.

The 23.2% contribution by the GRZ will consist mainly of salary support and per diem to Zambians who collaborate on the analyses and the long, short, and in-country trainees. The GRZ will also provide office space for the resident advisors, consultants and OPEX personnel provided under the project. Another host country input will be provision of training facilities for the in-country training courses. Operating costs, inflation and contingency have also been imputed to the GRZ contribution

For a breakdown of input costs by AID and the GRZ see Financial Plan.

#### E. The Two Phases of the Project and the Corresponding Funding Arrangement

The previous selections describe the background, rationale and main features of a five-year project aimed at contributing to the improvement of the GRZ's performance, and strengthening its capacity for analysis, planning and management in the agriculture sector human resource development. Progress toward this purpose will depend on the solution of various problems that are comparatively deep-seated in the GRZ, and their solution will, therefore, depend in great part on the extent to which the AID direct hire project manager and the two U.S. resident advisors under contract are successful in obtaining close and continuous GRZ collaboration in the problem-solving approach called for by the project.

\*Represents a GRZ contribution of \$1,451,000 for a three year program.

As pointed out in section B, "GRZ Commitment and AID Negotiations with the GRZ", the project's collaborative problem-solving approach is an outcome of dialogue and exchange between the GRZ and AID, and the probability of obtaining the needed amount of GRZ professional attention and time has been partially tested. However, the completed test of a project's feasibility must await its execution; and in the project at hand an estimate of the probability of thorough and successful implementation may involve a greater degree of uncertainty than in the majority of projects.

It has been deemed advisable, therefore, to divide the project into two funding phases, and to limit the present authorization to the first phase only. The first phase of the project corresponds to the first three years of funding, and involves a total U.S. commitment of \$4,785,000.

Prior to the termination of the third year, the two governments will carry out a joint evaluation of the project. The evaluation will have both summative and formative elements. The summative elements will involve measurements of the progress achieved up to the time of evaluation and an assessment of the project's remaining potential, i.e., estimates of the results that are likely to ensue from its completion through the additional two-year funding required for completion. The formative aspects will involve identification of defects that need to be corrected and deficiencies that need to be eliminated in order to augment the project's benefits, and the results of the summative evaluation to indicate the advisability of its completion.

The summative and formative evaluation components will include, but not be limited to: (1) examination of progress in establishing inter-ministerial and ministerial-parastatal working group(s), as well as other forms of cooperation among the relevant entities; (2) a preliminary assessment of the studies and analyses that have been initiated, the depth of involvement of GRZ officials in these analyses, problems and impediments to needed GRZ dedication and the extent to which the analyses constitute a valuable learning and training process; (3) evaluation of the performance of the two resident advisors and the specialized consultants in terms of both technical competence and effectiveness in developing collaborative working relations; (4) assessment of the degree of success in establishing close working relationships between the AID project officer and GRZ officials; (5) assessment of the technical assistance provided by the resident advisors and the specialized consultants and the programs in terms of their effectiveness in identifying needed training and in defining the content of training programs which will contribute significantly to an easing of the four constraints to the two selected objectives of increasing per capita food production and small farmer income; (6) assessment of the probability that the findings and conclusions of the analyses and studies will be translated into improved GRZ policies, organization, staffing and procedures.

To conclude, the proposed evaluation of the project at the end of the third year will 1) determine whether the project has been successful and if so, 2) contain a recommendation for a third-year follow-on project. If the decision to complete the project is made, the formative aspects of the evaluation will contribute to whatever mid-course changes and re-designs appear to be advisable.

#### F. Project Focus and Implementation

Increasing food production and incomes in the outlying areas of Zambia — areas that are not in the line of rail—constitutes a goal that is difficult to achieve. Goal achievement in agriculture depends not only on sound policies in a number of areas such as producer pricing, the pricing of inputs, cost-effective transportation, storage and marketing arrangements, research, extension and credit, but on the proper coordination of these policies so that they tend to reinforce one another.<sup>1/</sup> The past development of agriculture in the line of rail has been brought about by government investments and policies which favored the European farmer, allowed market forces to operate, and took advantage of the proximity of growing urban demand.<sup>2/</sup> Formulating and implementing government policies which will help bring about similar developments in the outlying areas is a much more complex and difficult task. Inadequate land titling arrangements for credit, greater distance from markets, scarcities of technical services, insufficiency of information concerning small farmer behavior and the comparative advantage by crop for each district, are simply a small portion of the conditions which stand in the way of sound policy formulation and implementation, and make this formulation and implementation more difficult for outlying areas than for the line of rail.

The project reflects the recognition that it is the GRZ that must collect and analyze the data and formulate and implement the policies that are expected to increase per capita food production and the incomes of small farmers. The U.S. advisors will not attempt to carry out the various tasks involved in improving the management of the agricultural sector; they will provide technical assistance to GRZ officials who are carrying out these activities. However, the project design provides a clear orientation to the GRZ officials. Both the General Support Activities and the Analyses and Training will be focused on the two objectives and the four constraints. And each analysis will be a jointly agreed upon sub-sector or problem area such as the 10 listed on the following page:

<sup>1/</sup> For example, the beneficial effects of research and extension which succeeds in getting farmers to shift wholly or partially from subsistence farming into a specific cash crop can be easily undone by a price policy which does not provide that crop with adequate returns. Similarly, if the technology transfer or adaption and the prices are right, but transportation or timely provision of inputs fail, the benefits of accomplishment in the first two areas will also be undone. Indeed, Zambian history provides many examples of failures due to piecemeal approaches in agricultural policies and reforms.

<sup>2/</sup> "Rural Responses to Industrialization: A Study of Village Zambia" by Robert H. Bates, New Haven & London, Yale University Press, 1976, provides an excellent account.

Problem Areas:

1. Review and assessment of studies and donor activities in agriculture (NCDP, MAWD, and RDSB)
2. Agricultural statistics: problems, needs and possible solutions (CSO and MAWD)
3. Rural population: Analysis and interpretation of the 1980 census, and the results of agricultural surveys, including the socio-cultural characteristics, technologies and costs of production of small farmers (MAWD, CSO and RDSB)
4. Decentralization and implementation of agricultural programs for small farmers (MAWD, CSO, NAMBOARD and NRDC)
5. Information bearing on agricultural pricing, past studies on pricing, effects of uniform pricing on the commercial emergent and small farmers and current pricing procedures (MAWD, NCDP, MINFIN, RSDP and NAMBOARD)
6. Estimates of present and future resources for agriculture and the future recurrent costs of alternative agricultural programs (MINFIN, NCDP, MAWD)
7. Fertilizer distribution costs and benefits (MAWD, NAMBOARD)
8. Agricultural Credit: An analysis of past successes and failures and an assessment of future prospects with special reference to small farmers (MAWD, NCDP, MINFIN, Central Bank)
9. Transportation, storage and marketing of the agricultural production of small farmers (NAMBOARD, MAWD, NCDP)
10. Sequence of informational, analytical, planning, coordination and decentralization measures required for formulating and implementing a coherent and effective agricultural sector strategy (NCDP, MAWD)

The above list of topics have been tentatively approved by the GRZ. They represent the main structural elements of the project. Each study research or analysis will be initiated by a review of past work in one of the ten areas (most of which has been carried out by foreigners with inadequate arrangement for Zambian apprenticeship). The review and interpretation of prior findings by GRZ officials will help avoid duplications and repetition, and will lead to the identification of information gaps and the additional analysis required. The findings and conclusions of the new study, together with past work, are expected to lead to the identification of needed changes in policies. In many cases these will indicate needed changes in organization, procedures and staffing, and to training programs designed to support the changes in policy and the related changes in organization, procedures and staffing.

Whereas the project's focus and concentration is constituted by the prior selection of specific sub-sectors and problem areas, the possibility of needed changes in the topics and needed adjustments in the work plan and schedule that appears in section IV "Illustrative Implementation Plan" has been anticipated. The project therefore calls for a certain amount of flexibility in implementation. The initial work on any given topic carried out by a GRZ team with participants, say, from MAWD, NCDP and NAMBOARD, may lead to changes in the original schedule or to the selection of a new topic. Early or mid-term experiences may also lead to an early identification of a training need, i.e., a need for training that does not arise from a policy findings, but from difficulties in, say, analyzing or interpreting data, or in formulating policy. It is, in short, rather likely that the attempt to carry out new kinds of activities will lead the involved GRZ institutions to identify new staffing and training needs.

The responsibilities and action sequences of the U.S. resident advisors and the specialized consultants that appear in sections II.C are to be viewed as descriptive and not as rigidly prescriptive. A project which concentrates on training and establishing learning processes within the policy-making institutions must leave open the possibility for changes in project emphasis as areas of unforeseen need are identified.

Obviously, effective implementation will depend in great part on the selection of a GRZ project director and two resident advisors who possess both substantial analytical and management skills. The degree of incentive for GRZ officials to dedicate themselves to the project will be a crucial factor. The U.S. advisors will need to assist the GRZ in linking professional advancement to the project's professional work to which the two governments have assigned a high priority. As findings and conclusions in specific sub-sectors and problem areas emerge, the U.S. advisors will assist GRZ officials in relating these findings and thus move closer to a coherent agricultural sector strategy that is effective in increasing per capita food production and the incomes of small farmers.

### PART III - PROJECT ANALYSES

#### A. Policy and Institutional Analysis

There are various policy and institutional interrelations among the four broad constraints, i.e., the insufficiency of resources allocated to agriculture, the lack of a coherent and effective agricultural sector strategy, knowledge and information gaps, and poor execution of projects. Allocation of more resources of various kinds to assist the traditional and emergent farmer is an obvious desideratum. As some observers have shown, however, the GRZ has made significant investments in outlying areas which failed to increase production and income, and certain of the current large expenditures and subsidies which are meant to benefit the small farmer are having the opposite effect.

Insufficient information and analysis often underlie the poor policies that lead to a waste of resources. For example, the lack of information on the production costs and the crop advantages of the districts is one of the factors that underlies a policy of uniform producer and consumer prices for the main agricultural products. A uniform producer price that is excessively low for a deficit area serves to hold down production in this area, and may serve to divert the areas from exploiting its natural advantages. Moreover, the assumption by the government of transportation costs also contribute to the deviation from efficient geographic specialization, leads to huge subsidies for NAMBOARD, considerable delays in payment by a resentful Treasury which does not have sufficient funds, and resulting increases in inefficiencies by the very entity which is supposed to distribute inputs and purchase agricultural products on a timely basis. Indeed, this policy has the effect of discouraging private transport to the outlying areas. Finally, the high level of subsidization of fertilizer appears to be leading to its over-use and, according to the economist, Doris Dodge, to re-sales to neighboring countries.

Post-Independence failures in large-scale cooperative programs, and programs to extend credit to small farmers, reflect weaknesses of various kinds: information gaps, defects in analysis, policy formulation and implementation. On certain occasions too much was attempted too soon, on the basis of insufficient information and inadequate preparation of field staff. In such cases, the subsequent failure to collect and analyze the relevant data, and to identify the precise causes of shortfalls has too often led to radical changes in agricultural policy which were also ill-advised.

The bulk of the available information about agriculture in Zambia is information about marketed production, over 90% of which is apparently from the line of rail. There is very little information about the cultural practice of the household and labor behavior associated with subsistence farming, the 1961 gross value of which was roughly estimated to be between three and four times the value of marketed production in the year. Research and extension services in Zambia have been concentrated for decades on the commercial farm sector. Improving the services provided to traditional farmers is one of the highest priorities, and AID/Zambia and the GRZ are presently designing a major Agriculture Research and Extension project. The present project deals with a large variety of sub-sectors and problem areas, and with the sector as a whole, or set of interrelated activities. The two projects are thus highly complementary and there should be continuous communication and exchange of information between them.

The expansion and improvement of agricultural statistics, particularly with respect to the small farmer, is a broadly recognized need. There are major weaknesses and omissions in the data collection procedures of the Central Statistics Office, great delays in data processing and in publication, and very little analysis. CSO officials have expressed strong interest in receiving assistance under this project, particularly in the areas of computer programming and social science analysis.

An example of the interrelations among resource availabilities, information, analysis, policy and implementation is reflected by the difficulties of the GRZ in expending the funds it has set aside or received in agriculture. In 1965-70 only 76% of the 88.4 million kwacha of planned capital expenditures in the rural areas was spent <sup>1/</sup> and, as pointed out in section II.B, in 1976-78 the GRZ was able to draw down only 45.5% of available foreign assistance funds, a significant part of it for agriculture. Part of the difficulty in expenditure is apparently due to cumbersome financial procedures for transferring funds to local levels. The re-examination, appraisal and possible re-formulation of these procedures would, therefore, appear advisable. Indeed, the shift towards decentralization officially favored by the GRZ, involves a large number of issues, each of which needs to be carefully examined. One of the needed tasks involves finding the ways to achieve coordination at local levels of officials from different ministries and parastatals. Identifying the incentives that are needed to attract and retain able officials in the field is another issue of crucial importance.

Although a new proposed policy in any of the different sub-sectors may seem advisable when this policy is viewed in itself or in isolation, the combination of all the proposed sub-sector policies may bring about serious difficulties or conflicts, and the total costs involved by all of them may represent a burden which the GRZ cannot bear. It is necessary, therefore, to integrate sub-sector policies into a comprehensive sector strategy, and to estimate whether the capital and recurrent costs of the strategy over different periods of time can be met. Recognition of the problem is represented by analysis No. 10.

#### B. The Future AID Program

The human resource development, analytical findings, and policy changes which take place under this project will form the basis for the future AID program in Zambia. Indeed, the success of this program will in part, depend on the extent to which the GRZ is moving towards a coherent and effective agricultural sector strategy.

The level of GRZ investment in agriculture is an issue frequently raised when large-scale assistance to agriculture is contemplated. The results of analysis No. 6 should have considerable bearing on this issue. Similar considerations apply to all the analyses. The review of other donor assistance, the examination and prioritization of agricultural statistics problems, the analysis of the rural population, including the geographic distribution of population and production of the small farmers, identification of the obstacles to decentralization, determination of alternative approaches to producer and consumer pricing policies, current consequences of the subsidization and distribution of fertilizer, review of past failures in extending credit to small farmers, and examination of the transportation, storage and marketing services that small farmers receive, will all contribute information that is highly relevant to the design of AID's future program.

<sup>1/</sup> "Agricultural Policy and Performance in Zambia:", by Doris J. Dodge, Institute of International Studies, p. 65.

### C. Technical and Administrative Feasibility

Under the proposed ZATPID project AID would collaborate with the GRZ through human resource development and learning process, in establishing a Zambian process of problem identification, explanation and solution in the various key areas of the agricultural sector, and for the sector as a whole. The process would involve various phases of analysis, planning, day-to-day decision-making and management or implementation.

For present purposes, feasibility can be viewed as the demand for performance that are placed on the two main organizations involved—the GRZ and AID — and the probabilities that these entities can satisfy these demands.

For the GRZ six kinds of comparatively high-level performance requirements can be identified: (1) the workload that would be involved in carrying out the analysis; (2) the timely nomination of persons to be trained and provisions for them to return to jobs for which they have been trained; (3) the dedication to project tasks of the involved Zambian officials required by the project; (4) the coordination and cooperation between professionals of different entities required by the Zambian teams undertaking analysis and other activities; (5) the institutional development and internalization of adjustments and changes in policy, organization and procedures; (6) the consideration of "political", "social", and "economic" questions that may arise during the course of the project.

If the project is properly implemented, all these requirements can be met. The design of the project incorporates built-in protections and safeguards that should contribute to its successful execution. First, the workload although large, is to be distributed over several major entities, e.g., MAWD, NCDP, CSO, MOF, NAMBOARD, and UNZA. Although the general shortage of adequately trained personnel is a major problem addressed by this project, the provision of OPEX personnel will ease the strain.

Second, there appears to be good reasons to expect sufficient individual dedication to the project activities on the part of the involved Zambian officials. The project is supportive of GRZ goals; is focused on learning; provides considerable amounts of training; and will contribute to advancing the careers of the involved professionals.

Third, the fact that analysis will be undertaken by officials from the different institutions will strengthen cooperation among the GRZ entities. Admittedly this area will require constant attention from the two resident advisors and AID/Zambia staff.

Fourth, the extent to which training leads to improved procedures in the GRZ will constitute one of the main measures of the projects success. Training is a built-in design techniques for institution-building and internalization of procedures.

Fifth, to classify agricultural problems, policies and objectives in a dichotomous way, as either "political" or "economic" and "social", and to assume that these are necessarily opposed or conflicting is to greatly oversimplify a complex situation. There are always different interests involved and affected by agricultural policies. Identifying and quantifying the inescapable trade-offs and the possible complementarities is the result of a sector analysis that provides the basis for a sound sector policy. Those analytical findings that reveal potential complementarities will be easier to translate into acceptable policy decisions, and reduce the need for so-called political choices. Those analytical findings that reveal inescapable trade-offs will help make so-called political choices more informed than they would otherwise be.

The above comments concerning the performance requirements needed from the GP7 should be supplemented with some general observations concerning the project approach which will contribute to successful implementation by the GRZ. First, the project relies heavily on Zambian institutions. This will create opportunities and increase the probability of successful implementation. Second, though the project has a broad scope, it also has a rather clear focus on training and developing learning processes. Concentration on the project purpose and goals, the four constraints, and identified sub-sectors and/or problem-areas will help avoid a scattering of professional energies. Third, the need for flexibility has been recognized and built into the project. For example, at this writing completion would appear to be feasible. However, if this scope proves too large it can and should be reduced. Determining the workload which the GRZ can carry out, and adjusting it accordingly, will be an intergral part of the project.

Successful implementation of the project will also require high-level performance from AID. First, it calls for a capable Officer in AID/Zambia who will dedicate much of his working time to the project, and deal competently with substantive and management issues. Second, two very high-quality professionals will be needed for the resident advisor posts in NCDP and MAWD. Once again, these persons will need to be extremely capable in dealing with both the substantive questions of development and with the management of a large and fairly complicated project. Third, AID/Zambia, REDSO/EA, and AID/W will need to join forces in finding and contracting the two best persons available for the resident advisor posts. Fourth, AID/Zambia will need to take steps to assure that logistical problems, such as housing, do not interfere with the hiring and the retention of these two professionals. Fifth, AID/W will need to cooperate closely with AID/Zambia and REDSO/EA in identifying, selecting and contracting the first-rate part-time specialists and consultants that are needed to implement the project.

#### D. The Approach to Training and Institutional Development

A conclusion of the CDSS analysis of considerable significance for the AID strategy was that post-Independence declines in the living standards of the rural poor could in great part, and, perhaps, in major part, be attributed to misguided and ineffective GRZ management of the agricultural sector. The ZATPID project will be an attempt to improve this management through training and learning processes

contributing to changes in the organization and methods of the GRZ institutions that are most directly involved in agriculture. The principal technique or approach will be critical analysis identifying constraints and pinpointing high priority training needs.

It may be useful to compare this approach with two alternatives. In the case of training it would have been possible to carry out some sort of manpower study in the effort to determine manpower and related training needs. However, past experience with manpower studies is not encouraging. Such studies and the plans that emerge from them usually serve to highlight extremely broad categories of professional and middle-level manpower needs; the planning methodology utilized is complex and difficult to internalize; and the results, heavily dependent on extrapolation techniques and/or international comparisons, are often disputable, particularly in LDCs. Finally, considerations of utility aside, manpower plans tend to be one-time efforts carried out by outsiders.

Also in the case of training, as well as organization and methods, it would be possible to ask public administrator or organization experts to assess institutions such as NCDP, MAWD, and NAMBOARD and to act on the consulting firms recommendations concerning training and changes in organization and methods. There are many flaws in this approach. The major and most common flaw is to attempt to identify organizational and procedural weaknesses from a predominantly internal perspective -- by concentrating on the organizations actual and potential internal communications, organization charts and staffing patterns, with comparatively little attention given to the social and economic difficulties and problems which the organization is expected to manage and solve. The tendency to concentrate excessively on their own internal problems is the most common weakness of bureaucracies. The reorganization approach just described does little to counteract this tendency and, as in the case of manpower planning, usually fails to leave behind a self-correcting ongoing process.

The projects approach is an attempt to establish a process which will provide a clearer focus on the socio-economic problems for which NCDP, MAWD, et.al. were established to solve, and to better specify the corresponding human resources requirements and institutional changes required. First, requiring that each initiating analysis address one or more of the four constraints to the goals of increasing food production and small farmer income and, furthermore, requiring that it be an analysis of an identified sub-sector or problem area falling within one or more of these constraints, should provide the analysis approach with a much clearer problem-solving focus than the approaches previously mentioned. Second, analysis of the socio-economic problems that are constraining food production and small farmer income as a prior condition for determining human resources and training requirements and needed changes in policies, organization and staffing will contribute to making training more relevant than it tends to be in the previously mentioned approaches. 1/

1/ It is expected that a considerable amount of the training will be in-country and in-institution.

Finally, assuring that GRZ officials assume the major responsibility in carrying out the analyses will contribute to the establishment of an institutional development process in the GRZ which should continue to function beyond the life of the project.

## E. Social Analysis

### 1. Overview

Zambia is a relatively different country in Africa because of its high degree of urbanization (about 40%), its high average GDP per capita income (\$568 in 1979), and the low extent to which agricultural production contributes to the national economy (approximately 18% of total GDP in 1978). Its similarities to many other African nations include widespread, and probably increasing, poverty among a large segment of its population, a high, steadily increasing population growth rate (about 3% in 1978) and, despite a similar origin, a variety of different tribal groups speaking, perhaps, as many of 70 different Bantu languages.

Although there has been some record of government attempts to improve the gradually deteriorating conditions in many parts of rural Zambia, these have, to date, had relatively little effect, particularly in the more remote, poorer-endowed provinces. At present, the urban population growth rate approaches 7%; rural population growth is a very low 1%. In brief, the rural population in Zambia is demonstrating with its feet what the perceived advantages and disadvantages are for a life in the agriculture sector in rural Zambia. Altering these conditions and sharply increasing the opportunities for successful food production and income generation in the outlying areas is a critical item on the GOZ's agenda over the next decade.

### 2. Feasibility

There are two feasibility issues involved in the ZATPID project. First, there is the issue as to whether food production and small farmer income will increase with increases in the levels and with changes in the content of investment in agriculture. There appears to be relatively little doubt that the goals and purpose of this project are feasible from this basic social perspective. Zambia is a nation of people who share an agricultural heritage, and the growth of a class of emergent farmers indicates a strong potential for a positive response to agriculture given suitable conditions. The second feasibility issue concerns the probability of bringing about the needed changes in policy and resource allocations through the proposed ZATPID project. An important aspect of the project approach which should increase this feasibility is the considerable degree to which collaboration between AID-funded technical assistants and consultants and Zambian professionals is maximized. Scores of Zambian professionals and probably

over 100 middle-level Zambian technicians will participate in some project-related activity or training over the life of project. The greater the involvement of Zambians in every step of the project implementation process, the more likely there will be positive outcomes which will improve the conditions for small farmers in Zambia. The learning-by-doing approach to the identification training and the requirements over the life of the project should also increase feasibility. This project is not starting with a predetermined blueprint for implementation, but is designed to respond to needs and opportunities as they arise within the Zambian context. This should maximize flexibility and enable a greater degree of group participation in decision making.

The commitment of the President to the improvement of policies and production in the agricultural sector increases the feasibility of the project, i.e., increases the probability that the objectives will be achieved. President Kaunda's request for an acceptance of a study of the rural sector by Rene Dumont, which was highly critical of present GRZ efforts and performance, is evidence of this commitment, as is President Kaunda's intentions, as stated in the "Blueprint for Economic Development", that economic development must take precedence over other aspects of humanistic human endeavor and that the National Commission for Development Planning be placed directly under the President's charge (Oct. 1979: pp 45).

### 3. Beneficiaries

The ultimate beneficiaries of the project will be the emergent farm families (total number estimated to be between 60,000 and 120,000) and the traditional, basically subsistence, farm families (approximately 600,000) who stand to gain from improved GRZ decision-making aimed at increasing per-capita food production and the incomes of traditional and emergent farmers. Better informed policy decisions and better implementation of projects emerging from the training, and institutional changes in the various problem areas identified above; better conditions on farm and in the market; better management of ongoing development projects achieved through inservice training of field staff; greater income-generating opportunities for women, etc., are the basic objectives or desired final outcomes. Note that promoting involvement of women is specifically mentioned among the criteria for selecting project participants. This is included as an essential, if unusual approach to redress Zambian women's historically disadvantaged role within the agriculture sector.

Negative outcomes accruing from project-related activities are possible, given the need for alterations in present policies and practices. For example, given the shortage of professional-level Zambian personnel, successful competition for and recruitment of qualified persons in the agriculture sector could

lead to a diminishing of the concentration of talent in the mining sector. Similarly, within the agriculture sector, there may be competition over the allocation of scarce resources, for example, to small farmers rather than to commercial farmers. As the project is generally conceived as additive (i.e. in developing new human resources and improving existing personnel skills) this potential problem should be resolvable, but it will require constant attention. A second example of a negative outcome resulting from better informed decision-making at the national level could be the impact of higher retail food prices on urban based poor families. The GRZ sensitivities to the demands of the urban population, however, make drastic changes in urban family welfare highly unlikely in the near future.

#### 4. Linkages to the Rural Poor

This project is focussed on the analysis, identification, and resolution of agricultural problems at the national and regional level in the case of resource allocation and policy, and at the local level in the case of implementation of programs, human resource development and related activities. For the project to have an impact on the rural poor, appropriate problems must be identified and dealt with in a sustained manner and, occasionally, potentially unpopular choices must be made at the highest GRZ levels. Most improvements in agricultural analysis, policy, decision-making and management will not involve the cabinet, for example. But some improvements — such as in the area of pricing — will almost surely require high-level approval of proposed changes. If well carried out, the pricing alternatives and their likely consequences which will be presented to the cabinet will allow it to make choices that are more informed than at present. Providing the cabinet with this opportunity may be an ideal way of testing its commitment to raising the rural standard of living. Making needed linkages to the poor will also require establishment of suitable procedures and incentives at all levels of the agricultural sector to ensure the effective placement, utilization and retention of trained personnel to address the problems over the mid and long term. It should be recognized at the outset that just as a career in farming is not an attractive option for many of the rural poor, so too is a professional career in agriculture one of the least attractive options currently open,

for example, to university students. An important aspect of the project will be to assist the GRZ in identifying and establishing an acceptable incentive system which will ensure that a strong cadre of well-trained professionals committed to agricultural development is created; that desirable changes will be implemented within the agriculture sector; and that the impact of these changes will extend down through the line ministries and the extension system and the district level GRZ staff to the rural farmers throughout the country.

In sum, the project is ambitious to the degree it aims to realize national level changes in the agriculture sector, but practical to the extent it has structured project implementation to maximize collaborative efforts and a flexible design approach in planning training and other project activities. The minimum positive outcomes resulting from the project are fairly simple to achieve: the completion of analysis, the selection and training of Zambian personnel, and the improvement of institutional procedures and efficiencies. The more difficult objective of improving the GRZ capacity for better decision-making and implementation in the agriculture sector by involving significant number of professional Zambians at all levels will depend on many factors for its full realization. For this reason, as well as others, periodic evaluations are called for throughout the life of the project. Close monitoring of the process will be an important tool in determining that the linkages are strengthened and maintained between project activities and the eventual realization of a positive impact on the rural poor.

#### F. Economic Considerations

This project does not lend itself to a standard benefit-cost analysis or a cost-effective analysis. The project is designed to assist Zambian institutions to contribute to the twofold goal of (1) increasing Zambia's per capita food production and (2) increasing the incomes of small farmers. Even if increases are found in these areas over the next five years, the extent to which this project contributed to these goals would be difficult to quantify with any degree of assurance.

Once the design team, in its discussions with GRZ officials, decided to focus the project on improved institutional performance in the agricultural sector, through human resource development, the main concern centered on providing the most effective mix of analyses, advisors and training and the most appropriate working relationship with the GRZ to achieve improved performance. The benefits which this project is designed to provide to the agricultural sector through training, are not quantifiable, but included the following:

- (1) Increased investment of resources in the agricultural sector.
- (2) A more coherent and effective agricultural sector strategy.
- (3) An increase in the availability and utilization of information needed for managing the agricultural sector.
- (4) Improved design and execution of agricultural projects in small farmer areas.
- (5) Improved procedures in analysis, planning, and management in NCDP, MAWD, and other appropriate institutions.

### G. Environmental Concerns

This project poses no significant negative impact to the physical environment. There may be some positive impact on the human environment through expanded access to educational opportunities. These opportunities, however, are considered to be beneficial and will not require further environmental study.

The PID (p. 8) requested a negative threshold decision regarding further analysis. The PID approval cable (State 031365, Annex D) did not require any further environmental analysis. Thus, a negative threshold decision is recommended, and an environmental assessment or Environmental Impact Statement is not required.

### Part IV Financial Plan

The following financial tables show a breakdown of the total project costs to AID and the GRZ. The GRZ contribution slightly exceeds 23%. All cost estimates are based on current prices for technical assistance, Zambian salaries, training, equipment and supplies, and operating expenses. With the current high U.S. and Zambian inflation rates, both contributions have been inflated at 15% per year compounded beginning in FY 1981. A 10% contingency factor (not subject to the inflation calculations) has been added to allow for unanticipated expenses and to build in some flexibility for the implementors of the project.

The GRZ will not inherit a significant recurrent cost burden once this project is completed. Most of the input expenses (salaries, per diem, facilities, etc.) will be incurred during the life of the project.

It should be noted that the project budget is based on the assumption that activities will span the full five years planned, even though initial authorization will cover only the first three years. Financial requirements of the fourth and fifth years are nevertheless shown to convey a complete picture of the full budgetary needs of the project and the activities covered by it.

SUMMARY COST ESTIMATES  
(U. S. \$000)  
203 YEAR LOP

SOURCE	A I D		G R Z		TOTAL
	FX	LC	FX	LC	
<u>USE:</u>					
Technical Assistance and personnel costs	2025	-	-	653	2680
Training and related support costs	1172	50	-	150	1372
Equipment, Supplies, Facilities	227	156	-	125	508
Other (vehicle operating expenses, miscellaneous)	-	44	-	165	209
Inflation Factor @ 15% per year compounded--FY 1981-84	600	143	-	246	989
Contingency @ 10%	300	68	-	110	478
<b>TOTAL</b>	<b>4324</b>	<b>461</b>	<b>-</b>	<b>1451</b>	<b>6236</b>

U.S. FINANCED COSTS  
(9000)

	FY 80			FY 81			FY 82			Initial Authorization Phase 3-year Total	FY 83			FY 84			IOP		
	FX	LC	TOTAL	FX	LC	TOTAL	FX	LC	TOTAL		FX	LC	TOTAL	FX	LC	TOTAL	FX	LC	TOTAL
<b>TECHNICAL ASSISTANCE:</b>																			
- 2 Resident Advisors (120 pm)	260	-	260	190	-	190	190	-	190	640	190	-	190	190	-	190	1,020	-	1,020
- Short-term consultants (90 pm @ \$10,000/mo.)	120	-	120	180	-	180	240	-	240	540	240	-	240	120	-	120	900	-	900
- OPEX personnel (240 pm)	-	-	-	500	-	500	325	-	325	825	325	-	325	325	-	325	1,475	-	1,475
- Evaluation funds	-	-	-	-	-	-	20	-	20	20	-	-	-	30	-	30	50	-	50
-Total TA										(2025)									
<b>TRAINING:</b>																			
- Long-term U.S. (840 pm @ \$21,000 per year w/o inflation)	-	-	-	147	-	147	399	-	399	546	304	-	304	470	-	470	1,470	-	1,470
- Short-term U.S. and third countries (180 pm @ \$3,000 per mo.)	108	-	108	108	-	108	108	-	108	324	108	-	108	108	-	108	540	-	540
- In-country training support costs-20 courses @ \$1,500 ea.	-	-	-	10	-	10	-	15	15	25	-	20	20	-	5	5	-	30	30
- BAET carry-over requirements	-	-	-	135	-	135	192	-	192	327	27	-	27	-	-	-	334	-	334
-Total Training										(1222)									
<b>COMMODITIES</b>																			
- 1 station wagon	17	-	17	-	-	-	-	-	-	-	-	-	-	-	-	-	17	-	17
- 2 LWB/LWB vehicles	41	-	41	-	-	-	-	-	-	73	-	-	-	-	-	-	41	-	41
- 1 Van	15	-	15	-	-	-	-	-	-	-	-	-	-	-	-	-	15	-	15
- Office equipment/supplies etc.	15	10	25	15	15	30	15	15	30	85	15	15	30	3	15	20	65	70	135
- Data processing	15	10	25	30	50	100	50	50	100	225	50	50	100	40	35	75	205	195	400
- Vehicle Maintenance/Oper. costs @ 30% of vehicle purchase price	-	-	-	-	22	22	-	22	22	44	-	22	22	-	22	22	-	88	88
-Total commodities	591	20	611	1,325	97	1,422	1,339	102	1,641	(1427)	1,439	107	1,546	238	77	1,315	6,152	403	6,555
- Sub-Total	-	-	-	159	15	174	496	33	529	(743)	760	56	816	927	58	985	2,382	162	2,544
- Inflation @ 15% FY81-84	-	-	-	-	-	-	-	-	-	368	-	-	-	-	-	-	-	-	-
- Contingency @ 10% of Sub-Total	59	2	61	133	10	143	154	10	164	368	146	10	156	124	8	132	616	40	656
- GRAND TOTAL	650	22	672	1,657	122	1,779	2,189	143	2,332	4785	2,365	173	2,538	2,289	143	2,432	9,150	605	9,755

GRZ FINANCING  
( \$000 )

	FY 80	FY 81	FY 82	TOTAL
<u>PERSONNEL COSTS:</u>				
- 500 pm to support General and study-action programs =4 1/2 person years @ average salary of Kwacha 5,000=\$6,250	-	69	69	138
- Salaries of long participant trainees- 840 pm=70 Py @ \$6,250	-	44	119	163
- Salaries of short-term participants-180 pm = 15 Py @ \$6,250	19	19	19	57
- In-country trainees - 270 pm=23 Py @ 6,250	-	26	47	73
- Per diem costs for in-country trainees, field surveys, etc. @ \$18.00 per day = \$44 per mo.x100 mos. per year ave.	-	52		104
- Support to OPEX personnel @ \$12,000 per yearx20 years	-	60		120
<u>OFFICE SPACE/TRAINING FACILITIES:</u>	30	60		150
- 2 Resident Advisors				
- 5 OPEX Personnel				
- Facilities for in-country training				
<u>OTHER:</u>	40	125		290
- Vehicles operating costs				
- Equipment				
- Supplies				
- Miscellaneous				
INFLATION @ 15% FY 81-84		68		246
CONTINGENCY @ 10% of Sub-Total	9	46		110
<b>GRAND TOTAL</b>	<b>98</b>	<b>569</b>		<b>1451</b>

PART V. Implementation PlanA. Illustrative Project Calendar of EventsGeneral Support Activities:

- |  |                    |
|--|--------------------|
| 1. PP submitted  | June 1980          |
| 2. PP approved   | August 1980        |
| 3. Project Agreement signed  | September 1980     |
| 4. PIO/C issued for vehicles/office equipment/supplies   | September 1980     |
| 5. PIO/Ts issued for 2 resident advisors (NCDP, MAWD)  | September 1980     |
| 6. 1981 training plan and requirements for OPEX services agreed to with GRZ:   | January, 1981      |
| a. -Long-term (2 year) training in the U.S. for approximately 7 master's degrees in the following illustrative disciplines:              |                    |
| - Agricultural economics   |                    |
| - Development economics  |                    |
| - Development administration   |                    |
| - Monetary and fiscal policy   |                    |
| - Business administration  |                    |
| - Regional analysis and planning   |                    |
| b. - Short-term in-country and third country training at selected institutions, e.g., EAMI, Arusha, Tanzania; PAID, Kabine, Zambia, etc. |                    |
| c. - Timing and numbers of OPEX services scheduled.  |                    |
| 7. GRZ identifies office space for 2 resident advisors.  | January 1981       |
| 8. 2 resident advisors (NCDP, MAWD) arrive   | January-March 1981 |
| 9. Vehicles/office equipment/supplies begin arriving   | March 1981         |
| 10. 1982 training plan agreed to with GRZ  | January, 1982      |

Illustrative Timetable for Analytical Program of Problem Areas

(Dates shown are hypothetical and should be interpretable only as guides to sequencing of stops and time periods required.)

Review and Assessment of Studies and Donor Activities in Agriculture (Analysis No. 1)

1. Three Zambian collaborators selected -- NCDP, MAWD, and Rural Development Studies Bureau (RDSB) -- October, 1980.
2. Arrival of U.S. consultant -- November, 1980.
3. Preparation of methodology and work plan -- November 1-December 15, 1980. Consultant departs December 15.
4. Execution of study -- January 1 - March 31, 1981.
5. Return of U.S. consultant, final documentation and REDSO review -- April, 1981.
6. Preparation of Institutional Policies, Organization and Methods Plan (IPOMP) for improved GRZ coordination of studies and donor activities in the agricultural sector -- April 1-30, 1981.
7. Resources: (a) GRZ personnel time in Zambia 18 person months (pm) (b) U.S. consultant -- 2½ pm

Agricultural Statistics: Problems, Needs and Possible Solutions (Analysis No. 2 ):

1. Two Zambian collaborating officials in the Central Statistics Office (CSO) and one MAWD official selected October, 1980.
2. Arrival two U.S. consultants (U.S. Bureau of Census executive responsible for agricultural data collection and processing, and agricultural economist) -- November 1, 1980
3. Review and priority ranking of agricultural statistics problems and constraints, including data collection, data processing, tabulation, publication of IPOMP and training plan (TP) -- November 1-21, 1980.
4. Selection of 5 Zambian participants -- December 1-15, 1980.
5. 18 month U.S. training of two survey statisticians and three

systems analysts -- January 1981 - June 1982.

6. Review of IDOPP and TP by CSO officials and two U.S. consultants -- September 1-21, 1982.
7. Resources: GRZ personnel time in Zambia: (a) 6½ pm.  
(b) U.S. consultants: 3 pm.  
  
(c) Zambian participants in U.S.: 90 pm.

Rural Population: Analysis & Interpretation of the 1980 Census, and the Results of Agricultural Surveys, including the Socio-Cultural Characteristics, Technologies & Costs of Production of Small Farmers. (Analysis No. 3)

1. Two MAWD, two CSO, and two RDSB officials selected -- October, 1980.
2. Preparation of summary of prior studies, specification and assessment of major findings, identification of major information gaps -- October 1 - December 30, 1980.
3. Arrival and departure of two U.S. consultants to collaborate in the identification of major information gaps concerning small farmer and specification of needed small farmer studies -- January 5-February 15, 1981.
4. Execution of studies -- March 1, 1981 - March 1, 1984.
5. Technical assistance of U.S. consultants -- June 15-July 30, 1981, 1982, 1983.
6. Preparation of IPOMP and TP -- January 1-March 1, 1984.
7. Resources: (a) GRZ personnel time in Zambia: 60 pm.  
(b) U.S. consultants: 12 pm.

Decentralization & Implementation of Agricultural Programs for Small Farmers (Analysis No. 4).

1. Three MAWD, two CSO, one Namboard and one Natural Resources Development College (NRDC) official selected -- March, 1981.
2. Arrival and departure of two U.S. consultants (for example, extension expert and selected state or USDA county agricultural agent) to collaborate in the preparation of scope,

methodology and work plan of study to identify major obstacles and constraints to the implementation of programs for traditional farmers (including incentives and disincentives for residence in outlying areas of professional and middle-level agricultural specialists) -- April 1-30, 1981.

3. Execution of study, including interviews of district & provincial agricultural officers, extension agents, and farmers -- May 1-Aug. 31, 1981 (12 pm).
4. Arrival and departure of 2 U.S. consultants to collaborate in documentation of findings and recommendations -- September 15-October 15, 1981
5. Preparation of IPOMP and TP -- October 15-December 30, 1981 (5 pm).
6. Six week in-country training NRDC program for 40 extension agents, and 20 district agricultural officers -- January 15-February 28, 1982.
7. Resources: (a) GRZ personnel time in Zambia: 24 pm.  
(b) U.S. consultants: 4 pm.  
(c) In-country training: 90 pm.

Information Bearing on Agricultural Pricing, Past Studies on Pricing, Effects of Uniform Pricing on the Commercial, Emergent and Small Farmers, and Current Pricing Procedures (Analysis No. 5)

1. Two MAWD, 2 NCDP, one Ministry of Finance, one RSDP and one Namboard official selected -- June 1981.
2. Selection of two U.S. consultants by AID and GRZ -- June 1981.
3. Collection, review and summary of past studies of agricultural pricing in Zambia by Zambian team in Zambia and U.S. consultants in U.S. -- July 1-August 31, 1981.
4. Arrival and departure of 2 U.S. consultants to collaborate with Zambian team in description of major conclusions of past studies, specifications of major pending issues and information gaps, scope, methodology and work plan of study -- September 1-30, 1981.

5. Execution of study -- October 1-January 15, 1982 (9 pm).
6. Arrival and departure of consultants to collaborate in documentation of major analytical findings and policy, procedural and training recommendations -- January 15-February 15, 1982.
7. Preparation of IPOMP and TP -- March 1982.
8. Resources: (a) GRZ personnel time in Zambia: 37 pm.  
(b) U.S. consultants: 8 pm.

(Analysis 6 - 10):

- No. 6: Estimates of present and future resources for agriculture and the future recurrent costs of alternative agricultural programs -- MinFin, NCDP, MAWD.
- No. 7: Fertilizer distribution costs and benefits - MAWD, Namboard.
- No. 8: Agricultural credit: An analysis of past successes and failures and an assessment of future prospects with special reference to small farmers -- MAWD, NCDP, MinFin, Central Bank.
- No. 9: Transportation, storage and marketing of the agricultural production of small farmers - Namboard, MAWD, NCDP.
- No. 10: Sequence of informational, analytical, planning, coordination and decentralization measures required for formulating and implementing a coherent and effective agricultural sector strategy (NCDP, MAWD).

NOTE: The list is illustrative, as has been pointed out. It is estimated that ultimately 10 to 15 analyses will be carried out under the project over its 5-year life. Actual dates may vary considerably from illustrative dates shown.

Total of estimated resources for approximately 15 analysis:

- (a) GRZ personnel time in Zambia: 455.5 pm.
- (b) U.S. consultants: 90 pm.
- (c) U.S. participant training: 180 pm.
- (d) In-country participant training: 270 pm.

Grand Total of estimated resources for Analyses 1-15  
and general activities over 5 years: \*

- (a) GRZ personnel time in Zambia: 500 pm.
- (b) U.S. consultants: 90 pm.
- (c) U.S. participants training (excluding SAAST requirements): 840 pm.
- (d) Short-term specialized training (U.S. and third country): 180 pm.
- (e) In-country participant training: 270 pm.
- (f) OPEX services: 240 pm.
- (g) Resident advisors: 120 pm.
- (h) Data collection/processing; commodities and supplies. (See budget.

B. Implementation Arrangements

AID/Zambia plans to carry out this project in the following manner:

- 1) A project manager will be designated within the AID/Z office to:
  - a. Liaise with NCDP and MAWD on both general and specific project matters;
  - b. prepare with REDSO/EA assistance project PIO/Cs;
  - c. prepare PIO/Ts for the project advisors and consultants;
  - d. prepare PIO/Ps with the assistance of AID/Z's foreign national training officer for project funded participants.
- 2) The services for the two resident advisors will be obtained under personal service contracts. See Project Description, General Support Activities section for resident advisor responsibilities. Both advisors will have the following qualifications: (a) a PhD. in a social science discipline (e.g., agricultural economics, rural sociology) or the equivalent in job experience which can be verified by written work, documentation, or published work; (b) working experience in Africa, preferably in field research and institution building; (c) high-level capability for analysis, planning, and project and personnel management.
- 3) Recruitment of short-term consultants and OPEX personnel will be undertaken by the AID/Z office with REDSO/EA assistance

\*These figures will be adjusted to reflect a three year project. If the evaluation to be undertaken at the end of the third year indicates the project is successful, a two-year follow-on project will be recommended.

to the extent possible. However, it will be necessary for AID/W to assist in the recruitment and contracting process.

AID/W, OIT will have to provide backstopping services for participants sent to the U.S.

Arrangements for in-country training will be the primary responsibility of the resident advisors with the assistance of AID/Z and the appropriate GRZ entities.

On the GRZ side, central coordination will be provided by NCDP with continuous participation and support by MAWD, CSO, NAMBOARD, UNZA, and MOF.

### C. Procurement Plan:

Procurement under this project will be relatively modest and will consist of basic support items, including vehicles; office equipment/supplies; data processing time sharing; and vehicle operating and maintenance costs. The following procurement procedures are proposed:

Vehicles - Four vehicles will be purchased for use by the U.S. advisors, their counterparts and in direct support of work in the analytical activities under the project: one station wagon, one van and two long-wheel base 4-wheel drive vehicles. These vehicles will be procured through local agents in Malawi or Zimbabwe in accordance with recent AID/Zambia practices which have proved very satisfactory. Because of maintenance and servicing considerations, vehicles will be of probable British, French or Japanese origin. A waiver to permit procurement of vehicles totaling \$73,000 from Code 935 origins is included as Annex E to this paper.

Office Equipment/Supplies: This budget item includes furniture for the two U.S. project advisors and their secretaries, typewriters, photocopiers, mimeograph machines, office calculators, paper and other office supplies. Articles requiring local servicing such as in typewriter and photocopiers will be procured locally as shelf items, while the sets of office furniture will be purchased from the U.S. through GSA. Of the \$135,000 budgeted for this item, it is estimated about half will be U.S. procurement and half local purchase.

Data Processing - There will be no purchase of computer hardware or software under the project. However, \$400,000 has been budgeted over 3 years to purchase computer time both in Zambia and the U.S. for analytical support requirements of the project. Wherever possible, time-saving arrangements will be made with local institutions (GRZ Ministry of Finance, UNZA). Computer time will be purchased in the U.S. for the overflow and for special requirements which cannot be effectively met in Zambia.

Vehicle Maintenance and Fuel - The project provides \$88,000 in vehicle fuel and maintenance costs over 3 years. Vehicles will be serviced at commercial facilities and will not be treated as part of the GRZ or MAWD motor pool. The U.S. project advisors and their counterparts will be responsible for appropriate use and maintenance of project vehicles.

#### D. Project Issues (PID Review)

State O31365 conditionally approved the PID subject after resolution of several questions/issues. Although Lusaka and Mbabane responded to the PID cable (Lusaka 0529, 16 February 1979; Mbabane 0511, 17 February 1979), these issues are listed below with comments as to how they were addressed during the PP design.

1. Emphasis on in-country training: The PP design team agreed with the PID cable regarding increased emphasis on in-country training. The project provides for at least four in-country training programs during each year of the project. Each course will be developed jointly with the GRZ as part of the project's analysis. GRZ facilities are available for such courses and the GRZ is supportive of in-country training. AID/Z plans to take advantage of PAID's presence in Kawbe, Zambia for developing and carrying out some of the in-country training courses.

2. Specific areas of developmental training needs: The PP is focused on strengthening the GRZ's performance and capacity for analysis, planning, and management in the agricultural sector. The analysis are designed to identify the precise training programs that are needed to improve agricultural policy and management.

3. Availability of Zambian Candidates: There is no indication that the GRZ will have difficulty in identifying suitable candidates for long-term, short-term, or in-country training. Under the SAAST Project some twenty participants are currently in the U.S. The ZATPID project recommends training for approximately thirty-five participants over five years which would average seven new starts each year. Sometimes training of key government officials is precluded because they cannot be spared from their jobs. For this reason twenty person years of OPEX services have been included in the project to release these individuals for long-term training.

4. GRZ manpower development plan: The GRZ does not have a comprehensive, up-to-date manpower development plan that identifies projected training needs by sector and number. This will not, however, pose a problem for selecting trainees under the ZATPID project. The majority of trainees will be identified through the analysis described in the PP. Section III D., presents the ZATPID approach to identifying human resource needs.

5. Criteria for selection of candidates: The project's criteria for selecting candidates is found on page 5 of the PP. Among the GRZ organizations that will be considered for training slots are NCDP, MAWD, CSO, NAMBOARD, and UNZA. This list, however, will not exclude training for other GRZ entities so long as the criteria for selection are followed. See Annex I.

6. GRZ commitment to place returned participants: Under the project's selection criteria, participants must have an established position identified before leaving for training. The project agreement will have a covenant to this effect. See Part VII, Project Covenants.

7. OPEX approach: During the design of this project, GRZ officials did indicate an interest in OPEX personnel (e.g., UNZA, MAWD) but specific discussions regarding placement of OPEX individuals were not held because training plans and selection of GRZ participants must take place before OPEX skills are identified. For this reason the level of OPEX services (20 person years) recommended for the ZATPID project had to be roughly calculated. The design team estimated that about one-third of the potential long-term participants will come from positions that require OPEX support.

#### PART VI Evaluation Plan

Evaluation, both formal and informal, will be important to the success of the project. Since much of the project's direction in terms of participant selection, analysis, and in-country training will be decided upon during the course of implementation, periodic reviews of the project's course will need to be made by AID/Zambia in consultation with the GRZ (particularly NCDP and MAWD), the project's resident advisors, and REDSO/EA. These reviews should be held at least annually.

In addition to "internal" reviews, two formal evaluations will be carried out during the life of the project. The first evaluation should take place after approximately 2½ years of the three years initially authorized or about March 1983. This "mid-course" evaluation, which will in large measure determine whether the planned fourth and fifth years of the project are funded and implemented, should deal particularly with the following:

In addition to "internal" reviews, two formal evaluations will be carried out during the life of the project. The first evaluation should take place after approximately 2½ years of the three years initially authorized or about March 1983. This evaluation, which will determine whether this three year project has been successful, and, if so, a recommendation will be made for a two-year follow-on project. The follow-on project would deal with the following:

- (1) The extent to which the collaborative approach to project decision-making is succeeding;
- (2) The success of using the analysis to provide direction to the project in terms of identifying priority training needs and developing training plans as well as suggestions for improving the policies, organization and methods within GRZ institutions;
- (3) Examine the participants selected and proposed for training to see if the project's selection criteria are being followed;
- (4) Evaluate what participants who have received training are doing;
- (5) Provide comments on the management of the project by AID, the resident advisor, and the GRZ;
- (6) Assess the general direction of the project as compared to the original Project Paper design;
- (7) Make recommendations regarding the future course of the project including any proposed changes in the mix of project inputs and outputs and subsequent phases.

A formal end-of-project evaluation will be carried out to assess the success or failure of the approach recommended in this Project Paper.

Funds for the formal evaluation have been included in the project budget.

#### VII. Project Covenants

The Project Agreement will include the following covenants:

- (1) The Cooperating Country shall covenant that the criteria set forth in Annex I of the Project Paper will be followed in carrying out the analyses to be undertaken in this project.
- (2) The Cooperating Country shall covenant that in order to assure maximum impact of AID-financed project inputs and to avoid duplication, it will use existing government mechanisms, or will create new ones, to formulate policy and directives for the project to assure conformance with overall project objectives and criteria. AID is to be fully involved in this process especially as it pertains to the identification of projects, assessments, training and institutional development activities to be undertaken and to the development of analyses, training and institutional support plans aimed at improving performance in the areas of information gathering, analysis, planning, decision-making and day-to-day operations. The mechanisms will be used periodically and/or whenever either AID or the Cooperating Country deems it necessary in furtherance of project objectives.

ANNEX A  
LOGICAL FRAMEWORK

**PROJECT DESIGN SUMMARY  
LOGICAL FRAMEWORK**

**Project Title & Number:** Zambia Agricultural Studies, Training, and Institutional Development (ZASTID)

<b>NARRATIVE SUMMARY</b>	<b>OBJECTIVELY VERIFIABLE INDICATORS</b>	<b>MEANS OF VERIFICATION</b>	<b>IMPORTANT ASSUMPTIONS</b>
<p><u>Program or Sector Goal:</u></p> <p>To increase Zambia's per capita food production.</p> <p>To increase the incomes of the small farmers.</p>	<p><u>Measures of Goal Achievements:</u></p> <p>Total food production increased by an amount greater than population growth rate.</p> <p>Before and after studies of farmer incomes,</p>	<p>Population censuses and estimates of total food production.</p> <p>Household surveys.</p>	<p><u>Assumptions for achieving goal targets:</u></p> <p>Continuing economic recovery to facilitate implementation of TNDP.</p> <p>Continuing GRZ commitment to develop and implement a TNDP action plan.</p>
<p><u>Project Purpose:</u> To improve the GRZ's performance and strengthen its capacity for analysis, planning, and management in the agriculture sector.</p>	<p><u>Conditions that will indicate purpose has been achieved: End-of-Project status.</u></p> <p>(1) Increased investment of resources in the agricultural sector.</p> <p>(2) A more coherent and effective agricultural sector strategy.</p> <p>(3) An increase in the availability and utilization of information needed for managing the agricultural sector.</p> <p>(4) Improved design and execution of agricultural projects in small farmer areas.</p> <p>(5) Improved procedures in analysis, planning, and management in NCDP, MWAD, and other appropriate institutions.</p>	<p>Quarterly project status reports prepared by resident U.S. contract advisors.</p> <p>Annual project evaluations (REDSO and others).</p>	<p><u>Assumptions for achieving purpose:</u></p> <p>That the GRZ is able to successfully integrate the training, the policy findings of the study and the institutional development plans.</p>

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p><b>Project Outputs:</b> Collaborative policy studies, research, and analyses.</p> <p>Trained personnel in key decision-making positions:</p> <ul style="list-style-type: none"> <li>- Long-term post graduate (US)</li> <li>- Short-term specialized (3rd country and U.S.)</li> <li>- In-country training (short term courses)</li> </ul> <p>Plans for improving organization and procedures of institutions.</p>	<p><b>Magnitude of Outputs:</b> Approximately 15 studies</p> <p>Numbers of trained personnel:</p> <ul style="list-style-type: none"> <li>- Approximately 35 participants (2 years each)</li> <li>- Approximately 180 person months</li> <li>- 4 courses per year x 5 years = 20 courses (approximately 400-500 participants)</li> </ul> <p>Approximately 15-20 working plans and guidelines prepared.</p>	<p>Published GRZ documents</p> <p>Training records</p> <p>Observation</p>	<p><b>Assumptions for achieving Outputs:</b> Appropriate GRZ entity and staff will collaborate with AID on each study.</p> <p>Qualified people released for training and placed in key positions.</p> <p>The GRZ is willing to allow U.S. advisors to collaborate in the preparation of institutional development plans</p> <p>Necessary coordination is achieved with other donors.</p>

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<u>Project Inputs:</u>	<u>Implementation Target (Type &amp; Quantity)</u>		<u>Assumptions for providing inputs:</u>
<u>USG:</u>	<u>3,674,000 total</u>		
<u>Technical Assistance:</u>	-\$ 2,025,000		
<ul style="list-style-type: none"> <li>- 2 resident advisors (3 years each)</li> <li>- short-term consultants (90 person months)</li> <li>- OPEX advisors (20 person years)</li> </ul>			
<u>Training:</u>	-\$ 1,222,000		
<ul style="list-style-type: none"> <li>- long-term (U.S.) (35 participants- average 2 years each)</li> <li>- short-term specialized (U.S. and third country)</li> <li>- In-country training</li> <li>- Carryover SAAST training requirements</li> </ul>			
<u>Commodities/Supplies/</u>	-\$ 427,000		
<u>Data</u>			
<u>Collection and Processing:</u>			
<ul style="list-style-type: none"> <li>- 4 vehicles plus operating costs</li> <li>- Office equipment and supplies</li> <li>- Data collection/processing</li> </ul>			
<u>GRZ:</u>	<u>\$ 1,095,000 total</u>		
- Personnel costs	-\$ 655,000		
- Office space/training facilities	-\$ 275,000		
- Other (operating expenses, equipment, supplies, etc.)	-\$ 165,000		
	<p><u>Note:</u> Input costs do not include inflation and contingency. See Financial Analysis for details.</p>		

ANNEX B  
FINANCIAL NOTES

ILLUSTRATIVE ANNUAL BUDGET

FOR

RESIDENT ADVISORS AND OPEX PERSONNEL

<u>Budget Item</u>	<u>Resident Advisors<sup>1/</sup></u>	<u>OPEX<sup>2/</sup></u>
1. Personal Compensation	\$ 42,000	\$ 25,000 top-off
2. 25% differential	10,500	6,250
3. FICA	2,800	1,650
4. Allowances	5,000	3,500
5. Rent (of residence)	18,000	12,000
6. Utilities, maintenance and guard service	6,000	6,000
7. Furniture and appliances (purchased for residence first year expense only)	35,000	35,000
8. Travel, transportation, for family in-country per diem- average per year	7,000	7,000
9. Other direct cost	<u>500</u>	<u>2,000</u>
Total first year	128,800	\$ 98,400
Total subsequent years	93,800	63,400

<sup>1/</sup> Estimates based on direct of host country PSC. If contracting firm used to supply advisors, cost estimates would have to be increased approximately 100% for overhead on salary and allowances.

<sup>2/</sup> OPEX technicians normally receive only salary top-off, travel and allowances from AID funding. The host country usually provides housing, utilities, etc. However, because of the severe housing shortage and past inability of the GRZ to provide housing for overseas experts, this project will provide funds for housing furniture, utilities, etc.

SAAST FUNDING ESTIMATES

	1978	1979	1980	1981	1982	1983
	\$300,000	\$516,000	\$515,000	Balance \$179,200		
Himonga (M.A)		15,000 (77)	6,000(77)			
Sichaiwe (B.A.)	15,200(77)	10,200 (77)	19,200(77)	21,000		
Chinamansa (B.Sc)		15,000 (77)	19,200 (79)	21,000	24,000	
Kopolo (B.Sc)		15,200(77)	19,200 (79)	21,000	24,000	
Moono (B.Sc)		17,500 (77)	19,200 (79)	21,000	24,000	
Muwowo (B.A.)		15,000 (77)	19,200 (79)	21,000	24,000	
Lewanika (Ph D )		17,600 (78)	19,200 (79)	21,000		
Likulunga (M.A.)		17,600 (78)	19,200 (79)			
Mwansa (M.Sc)		17,600 (78)	19,200 (79)			
Zikonda (M Al		17,600 (78)				
Namuchimba (B.Sc)		17,600 (78)	19,200 (79)	21,000	24,000	
Chungu		17,600 (78)	19,200 (79)			
Kambikiya		17,600 (78)	19,200 (79)			
Shitima (M.A.)		23,800 (78)				
Bwaiya (B.A )		11,000 (78)	19,200 (79)	21,000	24,000	
Akapelwa (B .A) year 2nd		11,000 (78)	19,200 (79)	21,000		
Maitwa (B.Sc)		17,600 (78)	19,200(79)	21,000	24,000	
Mulenga (M.Sc)			21,800 (78)	21,000		
Chilombo (M.Sc)			21,800 (79)	21,000		
Banda (M.Sc)			21,800 (79)	21,000		
Musowe (M.Sc)			21,800 (79)	21,000		
Goma (B.A)			21,800 (79)	21,000	24,000	27,000
			\$336,800	\$315,000	\$192,000	\$27,000
				-\$135,800	shortfall	shortfall
				shortfall		

1. Two participants to be financed from FY77 balance in 1980
2. One participant to be financed from FY79 balance in 1980
3. Calculations on FY 80 and 81 are based on State tel. 295897 dated Nov. 2, 1979
4. Calculations for FY 82 and 83 are based on an inflation rate of 15% p.a. as per ref tel in No.
5. A total of \$354,800 will be needed to fully fund SAAST participants still in training.

**ANNEX C**  
**FID APPROVAL CABLE**

INFO: REDSO  
(INFO: 2/13)  
INFO: CONF: CEECH: 22

INFO CODE

# TELEGRAM

REDSO FILE

ACTION: AIC

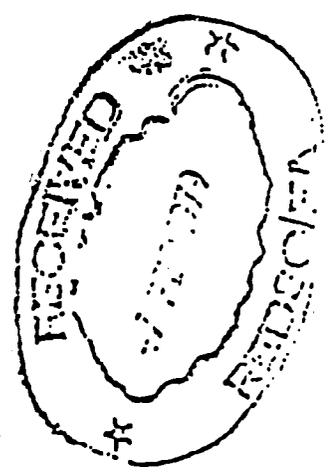
UNCLASSIFIED

05 FEB 79 15:15

INFO: AMS DCM ECOM ADM

Classification

R 060001Z FEB 79  
FM SECSTATE WASHDC  
TO RUTACH/AMBASSY LUSAKA 0907  
RUEHMB/AMBASSY MBABANE 9163  
INFO RUYOC/AMBASSY NAIROBI 0854  
BT  
UNCLAS STATE 031585



AIDAC; NAIROBI FOR REDSO/EA

E.O. 12865 W/A  
SUBJECT: PID REVIEW - MANPOWER DEVELOPMENT AND TRAINING  
PROJECT (611-8075)

BEST AVAILABLE DOCUMENT

1. AID/M PROJECT COMMITTEE REVIEWED AND CONDITIONALLY APPROVED MANPOWER DEVELOPMENT PID. RESOLUTION OF QUESTIONS/ISSUES LISTED BELOW REQUIRED PRIOR TO PROCEEDING WITH DEVELOPMENT OF PROJECT PAPER (PP). IN ORDER AVOID DELAY, REQUEST HRDC, MBABANE AND AID/LUSAKA PROVIDE BY CABLE INFORMATION OR COMMENTS FOLLOWING POINTS:

(4) GENERAL CONSENSUS IS THAT PROPOSED PROJECT SHOULD HAVE GREATER EMPHASIS ON IN-COUNTRY TRAINING. SUCH APPROACH CAN MAKE TRAINING MORE RELEVANT AND HAVE GREATER IMPACT THROUGH LESS COSTLY TRAINING OF LARGER NUMBER AVAILABLE CANDIDATES. ARE THERE ZAMBIAN INSTITUTIONS OR FACILITIES WHICH, THROUGH PROJECT INPUT, CAN BE UTILIZED IN SETTING UP AND CONDUCTING TRAINING PROGRAMS? HOW DOES GRZ VIEW IN-COUNTRY TRAINING VERSUS U. S. OR THIRD COUNTRY TRAINING? WHAT ARE SOME OF GRZ'S CRITICAL DEVELOPMENTAL TRAINING NEEDS WHICH COULD BE MET MORE EFFECTIVELY IN ZAMBIA THROUGH PROJECT SUPPORT?

(5) PID DOES NOT IDENTIFY SPECIFIC AREAS OF PRIORITY DEVELOPMENTAL TRAINING NEEDS. WE BELIEVE RECENT ILO, ICRD AND ISRO REPORTS COVER SOME OF THESE AREAS BUT WOULD APPRECIATE ADDITIONAL INFORMATION MISSION OR GRZ CAN PROVIDE.

(6) QUESTION RAISED RE AVAILABILITY OF ZAMBIAN CANDIDATES FOR TRAINING. DOES GRZ HAVE MANPOWER DEVELOPMENT PLAN WHICH INDICATES, BY SECTOR AND NUMBER, PRESENT AND PROJECTED TRAINING NEEDS?

## TELEGRAM

UNCLASSIFIED

Classification

(D) WHAT CRITERIA WILL BE USED FOR SELECTION OF CANDIDATES TO BE TRAINED UNDER PROJECT? WHICH MINISTRY OR DEPARTMENT OF GRZ WOULD GET PRIORITY ALLOCATION OF TRAINING SLOTS? DOES AID/LUSAKA PLAY ROLE IN SELECTION/APPROVAL PROCESS?

(E) WILL PARTICIPANTS TRAINED UNDER PROJECT HAVE COMMITMENTS TO FILL POSITIONS FOR WHICH THEY HAVE BEEN TRAINED? WHAT ARE GRZ'S STANDARD PROCEDURES/GUARANTEES RE RETURNING PARTICIPANTS WHOSE STUDIES HAVE BEEN SUPPORTED BY GRZ AID/OR DONORS? WE ARE INTERESTED IN CLEAR INDICATIONS OF DEGREE OF GRZ'S COMMITMENT TO AND UNDERSTANDING OF PROJECT.

(F) THE OPERATIONAL EXPERTS(OPEX) APPROACH AS PRESENTED PARA 2, PAGE 4 OF PID HAS BEEN USED EXTENSIVELY AND SUCCESSFULLY IN SLS AND OTHER COUNTRIES. SINCE PROVISION OF OPEX INTENDED TO QUOTE FREE-UP UNQUOTE SENIOR GOVERNMENT OFFICIALS FOR TRAINING AND REPLACE THEM TEMPORARILY WITH OPEX PERSONNEL, NEED SOME PRELIMINARY GRZ INDICATION ITS RECEPTIVITY TO PROPOSED APPROACH.

2. REALIZE PID NOT MEANT TO PROVIDE COMPLETE ANSWERS TO ABOVE QUESTIONS. BELIEVE, HOWEVER, PRUDENT EXPLORE MORE FULLY AT THIS TIME ISSUES WHICH COULD CAUSE DELAY IN PP DEVELOPMENT PROCESS AND PROJECT APPROVAL. WE PROPOSE USE YOUR REPLIES/COMMENTS TO ABOVE QUESTIONS AS AGENDUM TO PID AND HOPE KEEP PRESENT SCHEDULE FOR DEVELOPMENT OF PP.

3. NOTE OYS LEVEL FIRST YEAR OF MANPOWER DEVELOPMENT PROJECT (FY 79) IS 90.5 MILLION. ZAMBIA ALSO HAS SHARE ARE SEPARATE FROM PROJECT 611 0075. SAAST FUNDS BUT SAAST MODIES ARE SEPARATE FROM PROJECT 611-075. VANCE

**ANNEX D**

**AID PROJECT STATUTORY CHECKLIST**

CHECKLIST OF STATUTORY CRITERIA

CROSS REFERENCE: Country checklist is up to date. See Annex G, Zambia CIP Loan Paper 611-K-005 prepared February 1980.

A. GENERAL CRITERIA FOR PROJECT

1. FY 80 App. Act Unnumbered; FAA Sec. 634A; Sec. 653(b):.  
(a) Describe how authorizing and appropriations Committees of Senate and House have been or will be notified concerning the project; (b) is assistance within (operational Year Budget) country or international organization allocation reported to Congress (or not more than \$1 million over that figure)?

(a) The Project is included in the FY 1980 and FY 1981 Congressional Presentation.

(b) Yes.

2. FAA Sec. 611(a)(1). Prior to obligation in excess of \$100,000, will there be (a) engineering, financial, and other plans necessary to carry out the assistance and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?

yes.

3. FAA Sec. 611(a)(2). If further legislative action is required within recipient country, what is basis for reasonable expectation that such action will be completed in time to permit orderly accomplishment of purpose of the assistance?

No further legislative action is required to implement the project.

4. FAA Sec. 611(b); FY 80 App. Act Sec. (501). If for water or water-related land resource construction, has project met the standards and criteria as per the Principles and Standards for Planning Water and Related Land Resources dated October 25, 1973?

Not applicable.

5. FAA Sec. 611(e). If project is capital assistance (e.g., construction), and all U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability effectively to maintain and utilize the project?

Not applicable.

6. FAA Sec. 209. Is project susceptible of execution part of regional or multilateral project? If so why is project not so executed? Information and conclusion whether assistance will encourage regional development programs.

Not applicable.

7. FAA Sec. 601(a). Information and conclusions whether project will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices, (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.

(a) and (b) Not applicable.

(c) to (f) The training activities in this project will be supportive of a number of agriculture related activities in such fields as cooperative and credit union development.

8. FAA Sec. 601(b). Information and conclusion on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).

Not applicable.

9. FAA Sec. 612(b); Sec. 636(h). Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized to meet the cost of contractual and other services.

The GRZ is committing its resources in support of the project through the provision of personnel, facilities, vehicles, equipment etc.

10. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release?

Not applicable.

11. FAA Sec. 601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise?

yes.

12. FY 80 App. Act Sec. (521). If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity?

Not applicable.

**B. FUNDING CRITERIA FOR PROJECT**

1. Development Assistance Project Criteria

a. FAA Sec. 102(b); 111; 113; 281a. Extent to which activity will (a) effectively involve the poor in development, by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (b) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries?

a. The project supports the GRZ Third National Development Plan (TNDP) especially its emphasis on agriculture and rural development. Through enhanced performance and decision making the GRZ will be in a position to more effectively support growth with equity strategies. Training and support activities of the project will among other things include elements related to labor intensive development, cooperatives and on encouraging greater participation of women in the development process.

b. FAA Sec. 103, 103A, 104, 105, 106, 107. Is assistance being made available: (include only applicable paragraph which corresponds to source of funds used. If more than one fund source is used for project, include relevant paragraph for each fund source.)

(1) (103) for agriculture, rural development or nutrition; if so (a) extent to which activity is specifically designed to increase productivity and income of rural poor; (103A) if for agricultural research, full account shall be taken of the needs of small farmers, and extensive use of field testing to adapt basic research to local conditions shall be made; (b) extent to which assistance is used in coordination with programs carried out under Sec. 104 to help improve nutrition of the people of developing countries through encouragement of increased production of crops with greater nutritional value, improvement of planning, research, and education with respect to nutrition, particularly with reference to improvement and expanded use of indigenously produced foodstuffs; and the undertaking of pilot or demonstration programs explicitly addressing the problem of malnutrition of poor and vulnerable people; and (c) extent to which activity increases national food security by improving food policies and management and by strengthening national food reserves, with particular concern for the needs of the poor, through measures encouraging domestic production, building national food reserves, expanding available storage facilities, reducing post harvest food losses, and improving food distribution.

Not applicable.

(2) (104) for population planning under sec. 104(b) or health under sec. 104(c); if so, a. extent to which activity emphasizes low-cost, integrated delivery systems for health, nutrition and family planning for the poorest people, with particular attention to the needs of mothers and young children, using paramedical and auxiliary medical personnel, clinics and health posts, commercial distribution systems and other modes of community research.

Not applicable.

(4) (105) for education, public administration, or human resources development; if so, extent to which activity strengthens nonformal education, makes formal education more relevant, especially for rural families and urban poor, or strengthens management capability of institutions enabling the poor to participate in development; and b. extent to which assistance provides advanced education and

training of people in developing countries in such disciplines as are required for planning and implementation of public and private development activities.

Not applicable.

(5) (106) for technical assistance, energy, research, reconstruction, and selected development problems; if so, extent activity is: (i) (a) concerned with data collection and analysis, the training of skilled personnel, research on and development of suitable energy sources, and pilot projects to test new methods of energy production; and (b) facilitative of geological and geophysical survey work to locate potential oil, natural gas, and coal reserves and to encourage exploration for potential oil, natural gas, and coal reserves. (ii) technical cooperation and development, especially with U.S. private and voluntary, or regional and international development, organizations; (iii) research into, and evaluation of, economic development processes and techniques; (iv) reconstruction after natural or manmade disaster; (v) for special development problems, and to enable proper utilization of earlier U.S. infrastructure, etc., assistance; (vi) for programs of urban development, especially small labor-intensive enterprises, marketing systems, and financial or other institutions to help urban poor participate in economic and social development.

Not applicable.

c. (107) is appropriate effort placed on use of appropriate technology? (relatively smaller, cost-saving, labor using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor.)

Not applicable.

d. FAA Sec. 110(a). Will the recipient country provide at least 25% of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or has the latter cost-sharing requirement been waived for a "relatively least developed" country)?

Not applicable.

e. FAA Sec. 110(b). Will grant capital assistance be disbursed for project over more than 3 years? If so, has justification satisfactory to Congress been made, and efforts for other financing, or is the recipient country

"relatively least developed"?

Not applicable.

f. FAA Sec. 281(b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civil education and training in skills required for effective participation in governmental processes essential to self-government.

The project is in direct response to the GRZ TNDF. A key feature is the emphasis on institutional development and training as they relate to enhanced performance in the agriculture sector, the key to the economic well being of the country.

g. FAA Sec. 122(b). Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth?

Yes, the institutional development and training proposed are essential to Zambia's economic growth possibilities.

2. Development Assistance Project Criteria (Loans Only)

a. FAA Sec. 122(b). Information and conclusion on capacity of the country to repay the loan, at a reasonable rate of interest.

Not applicable.

b. FAA Sec. 620(d). If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the U.S. of more than 20% of the enterprise's annual production during the life of the loan?

Not applicable.

3. Project Criteria Solely for Economic Support Fund

a. FAA Sec. 531(a). Will this assistance promote economic or political stability? To the extent possible, does it reflect the policy directions of section 102?

Yes Zambia's continued economic health is crucial to it's political stability especially in the volatile Southern Africa region.

b. FAA Sec. 531(c). Will assistance under this chapter be used for military, or paramilitary activities?

No.

STANDARD ITEM CHECKLIST

A. PROCUREMENT

1. FAA Sec. 602. Are there arrangements to permit U.S. small business to participate equitably in the furnishing of goods and services financed?

Yes.

2. FAA Sec. 604(a). Will all commodity procurement financed be from the United States except as otherwise determined by the President or under delegation from him?

Yes.

3. FAA Sec. 604(b). Will all commodities in bulk be purchased at prices no higher than the market price prevailing in the United States at time of purchase?

Yes.

4. FAA Sec. 604(c). Will all agricultural commodities available for disposition under the Agricultural Trade Development & Assistance Act of 1954, as amended, be procured in the United States unless they are not available in the United States in sufficient quantities to supply emergency requirements of recipients?

No agricultural commodities are anticipated under this project.

5. FAA Sec. 604(d). If the cooperating country discriminates against U.S. marine insurance companies, will agreement require that marine insurance be placed in the United States on commodities financed?

Yes.

6. FAA Sec. 604(e). If offshore procurement of agricultural commodity or product is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity?

No agricultural commodities are anticipated under this project.

7. FAA Sec. 604(f). Are there arrangements whereby a supplier will not receive payment under the commodity import program unless he/she has certified to such information as the Agency by regulation has prescribed?

Not applicable.

- 8. FAA Sec. 608(a). Will U.S. Government excess property be utilized wherever practicable in lieu of the procurement of new items? Yes
  
- 9. MMA Sec. 901(b). (a) Compliance with requirement that at least 50 per centum of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S.-flag commercial vessels to the extent that such vessels are available at fair and reasonable rates. Yes
  
- 10. International Air Transport. Fair Competitive Practices Act, 1974  
 If air transportation of persons or property is financed on grant basis, will provision be made that U.S.-flag carriers will be utilized to the extent such service is available? Yes

**B. OTHER RESTRICTIONS**

- 1. FAA Sec. 620(h). Do arrangements preclude promoting or assisting the foreign aid projects or activities of Communist-Bloc countries, contrary to the best interests of the United States? Yes
  
- 2. FAA Sec. 636(i). Is financing prohibited from use, without waiver, for purchase, long-term lease, exchange, or guaranty of sale of motor vehicles manufactured outside the United States? Yes
  
- 3. Will arrangement preclude use of financing:
  - a. FAA Sec. 114. to pay for performance of abortions or involuntary sterilizations or to motivate or coerce persons to practice abortions? to pay for performance of involuntary sterilizations as method of family planning or to coerce or provide any financial incentive to any person to practice sterilizations? Yes
  
  - b. FAA Sec. 620(g). to compensate owners for expropriated nationalized property? Yes

- c. FAA Sec. 660. to finance police training or other law enforcement assistance, except for narcotics programs? Yes
- d. FAA Sec. 662. for CIA activities? Yes
- e. App. Sec. 103. to pay pensions, etc., for military personnel? Yes
- f. App. Sec. 106. to pay U.N. assessments? Yes
- g. App. Sec. 107. to carry out provisions of FAA Sections 209(d) and 251(h)? (transfer to multilateral organization for lending). Yes
- 4. FAA Sec. 201(d). If development loan, is interest rate at least 2% per annum during grace period and at least 3% per annum thereafter? Can the country borrower service the loan on harder than standard development loan terms? Not applicable

**ANNEX E**  
**WAIVER**

ACTION MEMORANDUM

TO : AA/Africa

FROM : Project Committee

SUBJECT : Vehicle Procurement Waiver (Source/Origin)

1. Problem: Request for procurement source/origin waiver from Geographic Code 000 (U.S. only) to Geographic Code 935 (Special Free World).

(a) Cooperating Country : Zambia

(b) Authorizing Document : PAF

(c) Project : Zambia Ag Studies, Training & Institutional Development (611-0075)

(d) Nature of Funding : Grant

(e) Description of Commodities: (1) One Peugeot SW or equal  
(2) Two 4 wheel drive  
Land Rover type vehicle or equal  
(3) One van-type  
All above vehicles are right-hand drive)

(f) Approximate Value : \$73,000

(g) Probable Procurement Origin : United Kingdom, Japan, and France.

(h) Probable Procurement Source: Zambia, Malawi, and Zimbabwe.

2. Discussion: Section 636(i) of the Foreign Assistance Act of 1961, as amended, prohibits A.I.D. from purchasing motor vehicles unless such vehicles are manufactured in the United States. Section 636(i) does provide, however, that "...where special circumstances exist, the President is authorized to waive the provision of this act in order to carry out the purpose of this act." Criteria for such waivers are contained in Handbook I, Supplement B, chapter 4. In addition, Handbook I, Supplement B, chapter 5, provides that commodities procured under grants must be U.S. source and origin, unless a waiver is obtained. The Handbook provides that waiver may be granted when necessary to carry out the purpose of the FAA and if, inter alia, there is present or projected lack of adequate service facilities and supply of spare parts for U.S. vehicles. The authority to determine that special circumstances exist for purpose of Section 636(i) and that these adequate justification for a waiver under Handbook I, Supplement B, has been delegated to you.

The Government of Zambia (GRZ) has requested A.I.D. assistance to increase food production and small farmers income. The above project vehicles are required to provide mobility for the project technicians who will be required to work in areas where roads are minimal. In those areas, the LandRover type or equal is the only vehicle that can be maintained and serviced adequately to meet the regular transportation requirements for the project. The station wagon and van-type vehicle will be used in Lusaka as well as deliver equipment to the technicians in the field. The majority of the maintenance and services for the LandRover or equal type vehicles will be done in the field. Outlying services areas do not have the capability to service and are not familiar with U.S. vehicles. There are, additionally, no representatives for U.S. vehicles in Zambia and, thus adequate service facilities and supply of spare parts are not available. A motor vehicle procurement waiver was approved by AID/W in September of 1979 on grounds similar to those stated above.

3. Recommendation: For the reasons stated above, it is recommended that you (1) find that special circumstances exist in the case of this vehicle procurement, and do hereby waive the requirement of 636(1) of the FAA and (2) that you certify that the exclusion of procurement from Free World countries other than the cooperating country would seriously impede attainment of U.S. foreign policy objectives and objectives of the foreign assistance program.

Approved: \_\_\_\_\_

Disapproved: \_\_\_\_\_

Date: \_\_\_\_\_

Drafted by: GLaBombard: bk, REDSO/EA

Cleared by: ESpriggs (RLA) (draft)

**ANNEX F**  
**HOST COUNTRY REQUEST FOR ASSISTANCE**

UNCLASSIFIED  
Department of State

INCOMING  
TELEGRAM

PAGE 01 LUSAKA 02769 171244Z  
ACTION AID-35

027032 AID2681

ACTION OFFICE AFDR-06  
INFO AAAF-01 AFSA-03 AFDP-02 PPCE-01 PPPB-02 PPEA-01 AADS-01  
DSAG-02 CH8-01 RELO-01 MAST-01 AFDA-01 PDPR-01  
/024 A1 11

INFO OCT-01 AF-10 EB-08 /054 W  
-----026724 171255Z /41

O R 171137Z JUL 80  
FM AMEMBASSY LUSAKA  
TO SECSTATE WASHDC IMMEDIATE 4600  
INFO AMEMBASSY NAIROBI

UNCLAS LUSAKA 2769

AIDAC

AID/W FOR AFR/DR, AFR/SA, ALSO PASS B. ROBINSON

NAIROBI FOR REDSO/EA

E. O. 12065: N/A  
SUBJ: ZAMBIA: AG TRAINING AND INSTITUTIONAL DEVELOPMENT  
(611-0075)

1. WE JUST RECEIVED A LETTER FROM THE NATIONAL COMMISSION FOR DEVELOPMENT PLANNING, OFFICE OF THE PRESIDENT, WHICH IS QUOTED FOR YOUR INFORMATION:

"US AID PROJECT 611-0075. I WRITE TO REFER TO THE DISCUSSIONS WE HELD ON THE PROJECT PROPOSAL AND THE INDICATION THAT THIS PROPOSAL WOULD BE FORWARDED FOR REVIEW IN WASHINGTON. I LOOK FORWARD FOR A RAPID CONCLUSION OF THE REVIEW.

"AS YOU KNOW THIS HAS BEEN A LONG PROCESS FOR BOTH OF US AND I HOPE THAT THE TRAINING AND SUPPORT ACTIVITIES CONTAINED IN THE PROPOSAL CAN BE STARTED WITH IMMEDIATE EFFECT.

"I LOOK FORWARD TO NEGOTIATING THE FINAL DETAILS OF THE PROJECT SO THAT AN AGREEMENT CAN BE CONCLUDED QUICKLY. PLEASE KEEP ME INFORMED OF THE PROGRESS BEING MADE IN WASHINGTON SO THAT I AND MY STAFF CAN BE READY TO MOVE QUICKLY. YOURS SINCERELY, /S/ L. S. CHIVUNO, ACTING PERMANENT SECRETARY, NATIONAL COMMISSION FOR DEVELOPMENT PLANNING."

2. COPIES OF THE LETTER ARE BEING POUCHED TO AFR/DR, AFR/SA AND REDSO/EA.  
WISNER

UNCLASSIFIED

ZAMBIA AGRICULTURE TRAINING AND INSTITUTIONAL DEVELOPMENT  
(611-0075)

Job Description: Advisors (2)

Duration: 3 years

Qualifications:

1. Ph.D in a social science discipline (e.g., agricultural economics, rural sociology, etc.) or the equivalent in job experience which can be verified by written work, documentation or published matter.
2. Working experience in the developing world (preferably Africa) especially in field research and institution building.
3. Demonstrated high-level capability for analysis, planning and project and personnel management.

Duties:

1. Help assure needed collaboration between AID and the GRZ, particularly in the application of mutually agreed upon criteria for use in selecting analyses, training and institutional support activities to be undertaken under the project.
2. Help assure needed coordination and liaison among selected GRZ entities, e.g., NCDP, MAWD, CSD, NAMBOARD, UNZA, MOF, etc.
3. Help prepare annual studies, training and institutional support plans with GRZ activities.
4. Help assure the development of scopes of work and the proper selection and timely arrival of specialized consultants who will assist the GRZ in the preparation and execution of various analyses.
5. Help monitor and assess the work of the specialized consultants.
6. Provide general technical assistance to NCDP and/or MAWD in conformance with the projects objectives and in addressing the four constraints identified in the project.
7. Collaborate with the GRZ in the selection of candidates for studies, training and institutional development and in their post-activity
8. Assist the GRZ in the selection of OPEX services.
9. Prepare quarterly status reports.
10. Undertake other project related priority activities as determined by AID/Zambia and the GRZ.

Duty Location: Lusaka

Responsible To: Permanent Secretary of MAWD and/or the Permanent Secretary of NCDP.

ZAMBIA AGRICULTURE TRAINING AND INSTITUTIONAL DEVELOPMENT  
(611-0075)

Ministry of Finance (MOF)

Background:

Until the emergence of the National Commission for Development Planning (NCDP) as the coordinator of all external aid and the GRZ organization of record for all agreements, these responsibilities rested with the Ministry of Finance (MOF). Nevertheless, this Ministry remains the "technical" organization for development and implementation of loans (running at \$30 to \$40 million annually for AID commodity and food aid program). While declining, these AID balance of support activities will remain sizeable on into the mid-1980's. In addition, MOF will remain important to development in Zambia because of the economic and financial tools and at its disposal and because of its control of the purse strings.

Policy, Performance and the Project:

As the economy evolves in the future and diversification takes hold with lessening reliance on minerals, various policy changes regarding the role and function of parastatal organizations, direct and indirect taxes, tariffs and decentralization will have to take place. The Ministry of Finance is crucial in this regard as various estimates are made of supply and demand, allocation of resources and costs, generation of funds, capital and recurrent costs, differential levels and composition of investments, etc.

While it is not anticipated that MOF will be a significant participant in the project, it is important to be able to support, especially through training and perhaps short-term technical assistance, activities which approach some of the problems noted above, especially those of great importance to development aid in Zambia.

Cooperation, Coordination and Implementation:

The project's approach is an attempt to establish a process which will provide a clearer focus to the myriad socio-economic problems faced by Zambia, especially as they relate to the AID/GRZ goals of increasing food production and small farmer income. AID has identified certain key institutions (e.g., NCDP, MAWD, CSO, NAMBOARD, UNZA, MOF) which exist to solve these problems and to better specify the corresponding institutional and manpower changes required.

The project will require the identification of socio-economic problems that are constraining food production and small farmer income as a prime condition for determining needed changes in policies, organizations and staffing. Training and institutional development activities will result. Under the chairmanship of NCDP (the coordinator of all external aid) and AID/GRZ Working Group made up of the organizations noted above will identify analyses, training and institutional development needs and plans; select the assessments, institutional units and participants to receive support; and, provide overall policy and management guidelines to the project.

ZAMBIA AGRICULTURE TRAINING AND INSTITUTIONAL DEVELOPMENT  
(611-0075)

Ministry of Agriculture and Water Development (MAWD), Central Statistics Office (CSO), and the National Agricultural Marketing Board (NAMBOARD)

Background:

The agricultural and rural sector is serviced almost entirely by parastatal organizations (e.g., most notably from this project, for NAMBOARD) and the Ministry of Agriculture and Water Development (MAWD). The Central Statistics Office provides data and limited support services for both.

Policy, Performance, and Capacity:

In the past, government policies for agricultural planning, research and extension have accorded low priority to the requirements of small farmers. The GRZ has now recognized the need to stimulate small farmer agriculture and to strengthen agriculture planning, research and extension (see Third National Development Plan, 10/79). Restructuring is underway for which AID is providing assistance to research and extension under its Research and Extension Project (611-0201).

MAWD's history is marked by poor performance due to inadequate and misallocation of resources to agriculture, the absence of an agricultural sector strategy, inadequate information and poor project design and implementation. This situation is caused in large measure by the lack of capacity and continuity across the board in MAWD because of a poor manpower base and the large number of expatriate professional staff working as short-term contracts (e.g., there are 25 working in research and 24 in extension).

Virtually every analysis of agriculture in Zambia has called attention to the importance of improving the planning process and in this connection especially the collection, processing and analysis of agricultural statistics, especially with respect to small farm agriculture. Nearly every major study of agriculture has been done by foreign experts who in most cases had to make special arrangements for collecting data.

MAWD and the Central Statistics Office (CSO) have identified planning and ag and development economics (macro, micro), budgeting, sectoral analysis, data processing (systems analysis) and certain specialized financial subjects for post-graduate training. In addition, there are a number of cases that have been identified for short-term training.

Implementation/Marketing - NAMBOARD:

The most important of the GRZ owned marketing agencies is NAMBOARD. Its functions are to 1) buy, store, transport and sell at fixed prices a specified group of commodities; 2) to import and export designated products; and 3) to offer for sale to farmers various inputs.

Currently, NAMBOARD is the sole buyer of maize (the country's staple) and cotton, but the buyer of last resort for sorghum, groundnuts, sunflower seed, and others. The principal imports distributed by NAMBOARD are fertilizer and seeds, although pesticides, hoes, wheelbarrows, etc., are included. NAMBOARD operates through 800 depots. These are supplemented by various provincial marketing cooperatives and unions.

NAMBOARD is reasonably successful in carrying out its major tasks of collecting, storing and transporting maize from grower to miller, but much less successful in supplying seeds and fertilizers, especially to small farmers. Furthermore, partly due to its checkered history of management and slow reimbursements from other agencies, NAMBOARD has developed into a costly administrative system which has increased the delays in making payments to farmers for commodities received. As a result of this and other problems, especially related to government subsidies, there has been a reduction in efficiency and financial discipline. Manpower problems are pervasive at all levels.

#### Policy, Performance and the Project:

Zambia has a controlled pricing system of agricultural inputs products, and selected essential commodities. Government policy is subsidizing commercial farmers, although they are penalized, as are others, by the unavailability of inputs. Actual usage rates by crop are not known, but NAMBOARD imports fertilizer with a priority for providing compounds beneficial for maize production. This is further supported through the agricultural credit programs which have a bias toward approving maize/fertilizer package loans.

In an effort to achieve GRZ equity objectives of increasing production while enhancing rural incomes, transportation costs for specified commodities, especially maize, have been assumed by the Government. This, in effect, provides an additional subsidy to those farmers using NAMBOARD's transportation system.

The effect of these policies--uniform pricing, fertilizer and transportation subsidies--has been drastic. Maize has represented an increasingly larger percentage of Zambia's marketed agricultural production. Rural-urban terms of trade appear to be moving still further against the rural sector, with pricing policies constituting a major factor. Subsidies have skyrocketed and become a major drain on the GRZ budget. A study undertaken by the World Bank in 1979 concludes that throughout the post-Independence period, farmers have received prices lower than world market prices and that urban consumers have been heavily subsidized. In other words, Zambia's uniform pricing policy and transportation subsidies are prejudicing those who the AID and GRZ are ostensibly trying to help--namely, the small farmers.

However, given the dearth of information about the systems of the traditional and emergent sector (i.e., the small farmer), the GRZ is slow to make many changes in present policies. The GRZ is faced with the difficult task of achieving a balance between providing its large urban population (at about 40%, the largest in sub-Saharan Africa) with food at reasonable prices, and helping the neglected

rural sector obtain regular increases in income--a task that cannot be accomplished without continuing increases in agricultural production and changes in relative prices--areas for which little is known with respect to small farmer agriculture.

Zambia's economic difficulties have been caused by a number of factors. Recently, perhaps the major factors have been the 1975 drop in copper prices, the political strife connected with Rhodesia, poor weather, and constraints in regional transportation. However, the declining standards of small farmers, declining numbers of commercial farmers and poor agricultural performance have characterized Zambia since Independence and should not be mainly attributed to these more recent developments. The agricultural policy instruments developed to date have not been satisfactorily formulated due to the shortages of substantiated information, limited capacity to analyze problems and impacts, the inadequate coordination among the multitude of government organizations which work in any given sector and the lack of adequately trained personnel. Lines of responsibility are unclear, and the kinds of checks and balances within the present system have not led to an effective functioning of this centralized economy. Policy improvements are not the complete answer, but they are crucial to increasing food production and small farmer income. The Ministry of Agriculture and Water Development (MAWD), NAMBOARD and the Central Statistics Office are key institutions in this regard. One organization is supposed to funnel information to another to facilitate policy formulation which in turn is carried out primarily by the third. As noted above, the chain is fraught with weaknesses which this project is intended to address.

No other donor has ventured into this arena.

#### Cooperation, Coordination and Implementation:

The project's approach is an attempt to establish a process which will provide a clearer focus to the myriad socio-economic problems faced by Zambia, especially as they relate to the AID/GRZ goals of increasing food production and small farmer income. AID has identified certain key institutions (e.g., NCDP, MAWD, CSO, NAMBOARD, UNZA, MOF) which exist to solve these problems and to better specify the corresponding institutional and manpower changes required.

The project will require the identification of socio-economic problems that are constraining food production and small farmer income as a prime condition for determining needed changes in policies, organizations and staffing. Training and institutional development activities will result. Under the chairmanship of NCDP (the coordinator of all external aid) and AID/GRZ Working Group made up of the organizations noted above will identify analyses, training and institutional development needs and plans; select the assessments, institutional units and participants to receive support; and, provide overall policy and management guidelines to the project.

ZAMBIA AGRICULTURE TRAINING AND INSTITUTIONAL DEVELOPMENT  
(611-0075)

National Commission for Development Planning (NCDP)

Background:

After Independence the GRZ adopted a policy of planning for the achievement of its development objectives. Three major plans have been produced with the most recent, the Third National Development Plan (TNDP), covering the period 1979-1983. Its objectives are to: 1) raise the general level of social welfare; 2) diversify the economy to make it less dependent upon copper, with special emphasis on what are AID's principal objectives, increasing food production and small farm income; 3) narrow the gap between urban and rural living standards by increasing the productivity of small farm agriculture; and 4) to increase the general level of education, especially in technical, administrative and managerial expertise to lessen dependence on expatriate skills. The TNDP is a departure from previous Plans largely in its shift of investment patterns in favor of productive sectors-- especially agriculture.

Policy, Performance, Capacity and the Project:

As is often the case the TNDP fails to include the empirically tested, financially feasible, and reasonably relative means needed to achieve its objectives. Implementation of previous plans was disappointing due mainly to poor allocation of resources to development, the absence of an agricultural and rural development sector strategy, inadequate information and spotty project design and implementation. Largely as a result, President Kaunda placed the nearly moribund and inadequately staffed National Commission for Development Planning (NCDP) directly under his authority. The President is the Commissioner, there is a Minister of State serving as Deputy, and the Director of NCDP is the chief operational officer. The Commission has overall responsibility for the formulation of development policy, the coordination of all external aid (loans, grants, food, etc.) and is the GRZ entity of record for all agreements.

The Commission is, in effect, brand new. Its role and responsibilities are sweeping both in terms of policy and implementation. For NCDP to effectively carry out its mandate it must have access to information and data, particularly with regard to the TNDP objectives; it must be in a position to analyze problems in order to formulate policy; and it must have the means to coordinate the various GRZ organizations and other donor ones as well. This project is designed to address these problems.

Cooperation, Coordination and Implementation:

The project's approach is an attempt to establish a process which will provide a clearer focus to the myriad socio-economic problems faced by Zambia especially as they relate to the AID/GRZ goals of increasing

food production and small farmer income. AID has identified certain key institutions (e.g., NCDP, MAWD, CSO, NAMBOARD, UNZA, MOF) which exist to solve these problems and to better specify the corresponding institutional and manpower changes required.

The project will require the identification of socio-economic problems that are constraining food production and small farmer income as a prior condition for determining needed changes in policies, organization and staffing. Training and institutional development activities will result. Under the chairmanship of NCDP (the coordination of all external aid) an AID/GRZ working group made up of the organizations noted above will identify analyses, training and institutional development needs and plans; select the assessments, institutional units and participants to receive support; and, provide overall policy and management guidelines to the project.

ZAMBIA AGRICULTURE TRAINING AND INSTITUTIONAL DEVELOPMENT  
(611-0075)

National Resources Development College (NRDC) and University of Zambia (UNZA)

Background:

Despite significant changes since Independence in the structure, content and teaching methods of general education, especially at the primary and lower secondary levels, general education in Zambia is still too academic. Each level is geared to the preparation of students to enter the next level rather than to impart skills of direct social and economic relevance. Considering Zambia's vast resources for agricultural production, where great opportunities for self-employment exist, it seems apparent that one of the shortcomings of the system is the lack of viable educational programs in agriculture. The teaching of agricultural subjects begins at the secondary level. It is too limited in capacity. Furthermore, judged by most to be the existing specialized training programs for farmers and field extension workers are also limited and receive inadequate support from the government. Most of these training programs are coordinated by poorly trained teachers in substandard facilities.

National Resources Development College (NRDC) offers post-secondary courses in agriculture, agricultural education, agricultural engineering, livestock science and production, agricultural business management, worker development and nutrition. NRDC enrolls about 450 students for a three year diploma course. This college is the only source of middle level agricultural technicians in the country and the demand for such technicians cannot be met with present enrollments.

In 1970 the School of Agriculture at UNZA was created. The school offers a four-year course leading to a bachelors degree. Enrollment is limited. In 1979 there were 12 graduates (four women). In 1981 60 students will be enrolled in the program; however, discussions have begun regarding the admission of NRDC diploma holders to the School of Agriculture.

Both institutions are limited by the lack of physical facilities. Any thought of increasing enrollments will require planning for sizeable increases in lab, classrooms and dormitory space.

Policy, Performance and the Project:

The government and donors alike were not satisfied with the agriculture education system which has yet to develop attitudes and skills in the numbers and quality needed for national development. Also schools alienated appear to be eliminated from the environment and inadequately prepared for life in Zambia. A controversial reform was announced in 1977, the purpose of which is to restructure the educational system along more practical lines. It is yet to be implemented for political reasons and because of the massive resources needed to carry out re-training, new construction, etc.

At this stage, the GRZ must assess its system of agriculture education in light of the TNDP objectives which were promulgated (10/79) after the education reforms were announced. There is inadequate information about such topics as how best to increase the numbers of mid and high level agricultural technicians including, for example, the cost implications of expanding UNZA and NRDC facilities. Also a close analysis of the educational reform should be undertaken to include manpower requirements, numbers of teachers needed, estimate of present and future resources required, recurrent cost implications, etc.

#### Cooperation, Coordination and Implementation:

The project's approach is an attempt to establish a process which will provide a clearer focus to the myriad socio-economic problems faced by Zambia especially as they relate to the AID/GRZ goals of increasing food production and small farmer income. AID has identified certain key institutions (e.g., NCDP, MAWD, CSO, NAMBOARD, UNZA, MOF) which exist to solve these problems and to better specify the corresponding institutional and manpower changes required.

The project will require the identification of socio-economic problems that are constraining food production and small farmer income as a prior condition for determining needed changes in policies, organization and staffing. Training and institutional development activities will result. Under the chairmanship of NCDP (the coordination of all external aid) an AID/GRZ working group made up of the organizations noted above will identify analyses, training and institutional development needs and plans; select the assessments, institutional units and participants to receive support; and, provide overall policy and management guidelines to the project.

CRITERIA FOR PROJECT ANALYSES

To assure that the analysis (which will define training areas) are carried out in an effective and efficient manner the following criteria will apply. The analyses will: (1) address both project goals (i.e., to increase Zambia's per capita food production and to increase the incomes of small farmers; (2) address at least one of the four identified constraints to the attainment of these goals, i.e., (a) an insufficiency of resources allocated to agriculture, (b) the lack of coherent and effective agricultural sector strategy, (c) defects and deficiencies in statistical information and other kinds of agricultural information needed for making agricultural policies and decisions and for monitoring and evaluating agricultural programs, (d) inadequate design and execution of agricultural projects in small farmer areas; (3) address one or more of the subsectors or problematic areas such as those noted in the illustrative list below:

1. Review and assessment of studies and donor activities in agriculture.
2. Agricultural statistics: Problems, needs and possible solutions.
3. Rural population: Analysis & Interpretation of the 1980 census, and the results of agricultural surveys, including the socio-cultural characteristics, technologies and costs of production of small farmers.
4. Decentralization & implementation of agricultural programs for small farmers.
5. Information bearing on agricultural pricing, past studies on pricing, effects of uniform pricing on the commercial, emergent and small farmers, and current pricing procedures.
6. Estimates of present and future resources for agriculture and the future recurrent costs of alternative agricultural programs—MinFin, NCDP, MAWD.
7. Fertilizer distribution costs and benefits - MAWD, Namboard.
8. Agricultural credit: An analysis of past successes and failures and an assessment of future prospects with special reference to small farmers — MAWD, NCDP, MinFin, Central Bank.
9. Transportation, storage and marketing of the agricultural production of small farmers - Namboard, MAWD, NCDP.
10. Sequence of informational, analytical, planning, coordination and decentralization measures required for formulating and

implementing a coherent and effective agricultural sector strategy (NCDP, MAWD).

(4) avoid duplication of other donor efforts; (5) support only those participants who are or will be assigned to established positions for a period of three months for every month of training received; (6) maximize, to the extent feasible, the participation of women in the development process.

Training undertaken under other elements of the project ("general support activities") will adhere to the same criteria.