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PROJECT ASSISTANCE COMPLETION REPORT

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Agricultural Planning Project

Project No. 493-0317

Office of Agriculture  
USAID/Thailand

May, 1986

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PROJECT ASSISTANCE COMPLETION REPORT

Agricultural Planning Project (APP)

Project No. 493-0317

1. Purpose and Goal

The goal of the project was the development of agricultural policies and programs of continuing greater benefit to low income farm households. The project focused on the Office of Agricultural Economics (OAE) and improving its capabilities in policy planning, project and budget review, coordination and monitoring, directed at helping the MOAC's efforts in data collection, research, and analysis which were to translate into effective policies and service programs for farmers.

The institutional development purposes of the project were to develop, implement, and/or establish the following:

- A capacity for effective planning and policy analysis management within the OAE.
- A system of cooperation between OAE and MOAC line departments for project identification, project preparation and budget analysis, resulting in an increasing number of well-prepared projects approved and financed for project implementation.
- Significant level of effort within OAE in analysis, planning, reporting and project evaluation relating to policies/projects to benefit low-income farm households.
- An improved OAE system for collection and processing production, consumption, price and marketing estimates and socio-economic data relative to the rural sector.

## 2. Status of Project Activities

Project specific inputs were provided in the form of technical assistance, commodities, training, and travel. A review of each of the inputs is as follows:

### - Technical Assistance

95% of project TA has been provided under a direct AID/Iowa State University (ISU) Contract (No. ASB-0317-C-00-2042-00). Under the contract ISU provided four (4) long term and several short term consultants. Several short term consultancies were provided before the ISU contract was finalized. \$2,134,000 was obligated for TA.

A major disappointment regarding ISU's participation in this project has been the fact that ISU did not provide project staff from campus. All project funded long and short term staff, with the exception of the Campus Coordinator and one other short-term consultant, came from other universities, USDA or were retired USDA/AID employees. Given the close historical ties between ISU and the implementing agency (the Office of Agricultural Economics), this resulted, in our judgment, in some lack of cooperation and esprit de corps with the RTG. A secondary problem was the inability of ISU to initially recruit a Chief of Party and find an appropriate replacement upon departure of the first Chief of Party.

With regard to Campus backstopping, there were occasions when it was difficult to get appropriate, timely support. Much of this difficulty was experienced early in the project. More specifically, ISU devised a complex management arrangement with two campus coordinators, one located at ISU and another off campus at another university. The latter was done in part to provide continuity with an earlier ISU project (the Campus Coordinator at the other campus was the former ISU project Chief of Party) and the new project activity. The problem

confronting the Chief of Party was who to report to. This particular problem was worked out for the last two years of the project. Overall backstopping services were good. The final problem occurred in the last six months of the contract when USAID/Thailand tried without success to get ISU to identify excess contract funds for Mission deobligation-reobligation purposes. This became a point of unnecessary friction. Approximately \$1,700,000 was spent on the TA element of the project.

### Training

The original PP called for 5 Ph.D's, 9 in-country MS's and a series of USDA short courses and observational training in the U.S. Because of time constraints and the inability of OAE to identify qualified candidates for Ph.D training, it was jointly (OAE/DTEC/USAID) agreed to reduce the number of Ph.D's to 3. The 3 participants are currently in the U.S. and expected to complete their programs by 30 June 1987. The PACD was extended from 31 October 1985 to 30 June 1987 to accommodate the additional time required to complete their training programs. In addition to the Ph.D training, 11 OAE staff were trained at the MS level in local institutions. Seven received MS degrees in Agricultural Economics from Kasetsart University, 2 received MS degrees in Statistics from Chulalongkorn University and 2 received MS degrees in Computer Science from the Asian Institute of Technology. Six short term specialized training programs in Remote Sensing, Area Sample Frame, Situation and Outlook Reporting and Use of Micro Computers were completed. Other specialized training programs were conducted in-country to support OAE's RIPS computer system, micro-computers, and software computer packages which were all provided under this project. USAID also supported the preparation of four training handbooks (prepared under a contract with Kasetsart University) to strengthen and support in-service training within OAE.

The training program is considered to have been the most effective/important part of the project. A total of \$365,000 was spent on this element of the project.

Note: With regard to Ph.D training in the U.S., some consideration might be given by AID/W to look at alternative ways of handling such training. Currently all agricultural related PIO/P's are funnelled through USDA. Average cost per year is well over \$20,000 per trainee. This amount is outrageous for U.S. Land Grant Universities.

- Commodities

The project purchased more equipment than was planned in the PP because of reduced prices for commodities. In all the project purchased \$170,000 worth of equipment. Most of the saving was a result of dropping prices for computer and computer related equipment. Purchases included two micro-buses, an off-set duplicator, 24 hand calculators, a large air-conditioning unit for the computer center, a reflecting projector for area sampling frame and remote sensing work, remote sensing equipment (RIPS computer), 5 micro-computers with printers, modems and voltage regulators, etc.

- In-Country Workshops/Meetings

The APP supported a large number of in-country workshops and meetings in support of agricultural policy formulation. Attendance at international meetings such as the Association of Agricultural Economists, and International Association of Agricultural Economists were supported. Approximately \$65,000 was spent on this element of the project.

### 3. Major Accomplishments

The project has enabled economic research to continue in an area of extreme importance to Thailand--agriculture, and has helped to introduce new methods related to data collection, analysis, project monitoring and evaluation, and commodity analysis. Formal overseas and domestic training, informal on-the-job training, and improved use of computer facilities were also achieved.

While these accomplishments in and of themselves were impressive, they were not so in relation to all of the expectations of the Agricultural Planning Project, especially those relating to policy formulation. Most of the policy-related goals of the project have not been met due in part to the overly optimistic expectations of the project, strong personality conflicts between the senior RTG staff, the senior ISU consultant, and others. To a smaller degree the problem was due to consultants having limited experience in policy formulation and/or ability to establish the necessary rapport to properly advise on such matters.

The stated project objectives had a strong policy orientation but this was not always pursued vigorously by the consultants and it was not encouraged by the management of OAE. The consultants performed reasonably well in their areas of expertise, but this was not always consistent with their terms of reference or the need to improve policy formulation.

The following is a summary of the activities completed in the agricultural statistics component of the project (of the technical areas of the project, this component is judged to have been the most significant and successful):

The agricultural statistics component of APP had the objective of helping OAE improve the quality and timeliness of agricultural estimates by improving: (1) survey methodology, (2) survey design, (3) survey forms, (4) data collection procedures, (5) enumerator training, (6) survey management, (7) data review, (8) estimation procedures and (9) format of data presentation.

The job of the statistical advisor was well defined from the beginning, mainly to assist in the above 9 areas. The most important task was the establishment of an area sampling frame (ASF), installing the system in all 73 provinces of Thailand and to implementing the methodology which would eventually replace, where feasible, the list frame survey methodology.

To accomplish this task, OAE hired 15 temporary employees in June 1983 to work with its permanent staff. ASF installation included:

- a. Stratification on topographic maps of all land area within each province into one of several specified land uses.
- b. Sub-division of land within each stratum into primary sampling units (PSU's) using permanent geographic boundaries.
- c. Selection of a sample of PSU's.
- d. Sub-division of the selected PSU's into sampling units (SU's).
- e. Ordering the 1:5,000 scale aerial photography of the segments to identify boundaries and support data collection in the field.

SU's in the agricultural strata--paddy, and upland and encroached forest land--are approximately 200 rai in size. The selected SU's (called segments) in each stratum represent all the land in the stratum and are the areas to be surveyed by interviewers and enumerators in the ASF survey.

ASF construction has been completed for all of Thailand but one third of the aerial photographs for the 2000 segments have not been ordered. They will be ordered in 1986. At that time all work on the ASF will be complete.

ASF surveys were conducted for 5 provinces in October 1983; 15 provinces in October 1984; and 34 provinces in October 1985 and the remaining provinces will be surveyed in October 1986 and thereafter.

The October 1984, ASF major Rice Survey was conducted in 15 provinces. A comparison of the results of the October 1983 paddy estimates (a list estimate) with the October 1984 area frame major rice survey for these same 15 provinces indicated that the sampling errors were smaller for ASF than for list frame. In addition, the ASF survey provided area estimates for other field crops and land use, whereas the list frame surveys gave only information on rice.

ASF was, in October 1985, being used by all OAE zone offices. More than half of the zone offices had not worked ASF surveys previously. Although the ASF project went well, the period immediately following the PACD is an extremely critical period for OAE because the zone staffs have to collect data from the ASF for the first time. The OAE is to be congratulated for implementing one of the most advanced agricultural statistical systems in the world which includes the integration of satellite data into the ASF methodology. This will be the first country outside the U.S. to begin this advanced methodology. Since, this work was just getting started and OAE may need additional support to fully utilize the equipment and implement the methodology. Note: The delays were in part caused by difficulty in getting the Technical Assistance Team in place in a timely manner and getting OAE to commit necessary funding, staff and aerial photograph in place.

#### 4. Beneficiaries

Direct Beneficiaries - The direct beneficiaries of this project have been the numerous OAE staff who (1) were/are being trained at the Ph.D and MS levels, (2) participated in short term specialized training at USDA, (3) participated in professional enrichment seminars, workshops and meetings abroad and (4) the large number of OAE field staff who participated in project financed in-country seminars, workshops and in-service training courses. The total number of persons is in excess of 1,000.

#### 5. Summary of Lessons Learned

- a. Avoid overselling projects in their design phase. The ultimate goal and some of the project's multiple purposes seem to have been much too ambitious for the general scope of the APP.
- b. Match the consultants with the primary objectives to be pursued. Although a primary focus was to provide information for policy decision making, very few, if any, of the consultants had much of that type of experience. Why then, were they accepted/hired?
- c. Avoid unduly restrictive or ambitious TORs for individual team members. The contractor should be made responsible and accountable for individual and overall project performance. Overly close control by AID on the approval of individuals serving under the contract and on their specific assignments makes AID, as well as the contractor, responsible for any shortcomings in performance.
- d. Develop better reporting mechanisms. Monthly, quarterly, or other "normal" progress reports seldom deal with problems. Rather, monitoring of a project must be done in such a way that reports are generated which are both substantive and indicative of project performance. For example, in this project a report at an early stage on what policy instruments OAE can influence and how they might have

an impact on low income rural households would have been useful. It could have provided useful information and perhaps encouraged the ISU team to shift its emphasis. USAID and the RTG would have benefited by discovering at an early stage in the APP whether some of the project purposes were indeed obtainable.

6. Review of Warranties and Project Covenants

Conditions precedent, covenants and warranties established:

A. Conditions Precedent (CP)	<u>Remarks</u>
1. <u>CP to Disbursement</u>	
- Designation of Authorized Representatives	Met
- Detailed Implementation Plan	Met
- Plan for using long term specialists	Met
2. <u>Special Covenants</u>	<u>Remarks</u>
- Detailed Evaluation Plan	Met
- Establishment of an Information System which include:	Met
(a) Summary list of reports, studies and staff papers	
(b) Summary of in-service training; and	
(c) Summary of listing of projects cooperatively developed within MOAC	

7. Post Disbursement Reporting and Residual Monitoring Requirements

As noted in the major accomplishment section of this report, the establishment and construction of an "Area Sampling Frame" was a major element of the agricultural statistics component of the project. Although the ASF construction has been completed for all of Thailand, at the PACD, more than half of the zone offices (19 in total) have not worked ASF surveys. The period immediately following the PACD is an extremely critical period for OAE because the zone staff will be collecting data from the ASF for the first time.

It is recommended that OAE be provided a short term consultant (one person month) in FY 86 (probably in the Summer or early fall) to review the status of the data being collected and work closely with OAE in improving the ASF process. This should be repeated in FY 87 as required. Toward this end, OAE has prepared a scope of work for the above mentioned services for financing under the EPD II or Agricultural Technology Transfer Projects. It is further understood that this proposal has been submitted to DTEC for consideration. USAID should provide strong support for this request.

8. Summary Financial Statement

a. Life of Project Funding

USAID - \$3.2 million  
RTG - \$1.036 million  
Total - \$4.236 million

(Note: \$963,000 was in excess of project needs and deobligated for use in other USAID/Thailand funded project).

An initial grant was made in the amount of \$700,000 for the first year of project implementation followed with \$1,000,000 in year two and \$1,500,000 in year three.

b. USAID Contribution

<u>Project Title/ Element Description</u>	<u>Total Obligations</u>	<u>Total Expenditures</u>	<u>Potential Project De-obligation</u>
Agricultural Planning	2,737,001	1,705,068	1,031,933
Technical Assistance	2,118,373	1,253,054	865,319
Training	365,330	311,163	54,167
Travel	64,689	9,268	55,421
Commodities	171,088	128,096	42,992
Evaluation	3,487	3,487	0
Contingency	14,034	0	14,034

c. Host Country Contribution

The resources provided by the RTG for the Agricultural Planning Project included costs borne on an "in-kind" basis and are estimated to have been around \$800,000.