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REDSO/WCA

PROJECT ASSISTANCE COMPLETION REPORT

FOR

MAURITANIA DROUGHT EMERGENCY FOOD ASSISTANCE PROJECT

(682-0235)

Date of Report: September 1993 PACD: May 31, 1989

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I. INTRODUCTION

In September 1983, the Government of the Islamic Republic of Mauritania (GIRM) convened a National Commission for Assistance of Populations Affected by the Drought (CNAPES). This commission drafted a Plan of Action jointly with representatives of major foreign donor agencies. The Office of the AID Representative in Nouakchott (OAR/Nouakchott) agreed in the course of these meetings to provide assistance to the hardest hit regions of the country. This was the basis for the \$1.7 million Mauritania Drought Emergency Food Assistance project, which was formalized between USAID and the GIRM on April 28, 1984.

The original Grant Agreement provided commodities as well as funds for the inland transport and handling required to distribute these emergency relief commodities (known as Section 416 commodities) in Mauritania. The following commodities were provided under the program: 12,870 metric tons (MT) of wheat, 8,800 MT of milk powder and 2,500 MT of butter oil. However, in 1989 an internal audit of the Title II Food For Peace program found that the Annual Estimate of Requirement had over-estimated the number of recipients to be served. The audit revealed that, although an adequate surveillance system was in place, the program had used only 74% of the commodities originally planned. Additionally, it showed that deliveries originating in Dakar had not been recorded until mid-1986. During the five-year project, nearly 99,000 MT of wheat, non-fat dry milk and butter oil from various donors were supplied to populations in targeted regions. Project documentation did not specify a MT categorization of the total delivered commodities.

The Drought Emergency Food Assistance Project was designed to assist USAID and the GIRM to carry out emergency feedings programs from food supplied by the USG and other donors. The organizations CARE (Cooperative for American Relief Everywhere) and the Catholic Relief Services (CRS) were contracted by OAR/Nouakchott to assist the GIRM's Commission for Food Security (CSA) with the food distribution. CARE was responsible for project management and the contracting of transportation agents. CRS used its existing network to help disseminate relief food, handling the transport, warehousing, and distribution of PL 480 commodities.

Prior to the close of project activities, both organizations suspended operations in Mauritania. An amendment in August 1987 therefore transferred project responsibilities and funds to OAR/Nouakchott. The remaining funds were used to pay trucking contractors and operational expenses.

An internal audit of CRS project activities conducted in January 1987 found that CRS/Mauritania had fulfilled its responsibilities in compliance with its agreement with USAID. The audit was conducted to determine whether the usage of funds met donor requirements, and to assess the organization's reliability and effectiveness concerning record keeping and administrative practices. A separate internal audit was conducted during the same month to appraise the complementary PL-480 Title II Food Program. This audit suggested that CRS needed to report commodity losses and noted that unfit food should only be disposed of with OAR/Nouakchott approval.

The project's original December 30, 1984 PACD was extended five times for a final date of May 31, 1989. The project was amended five times on: July 9, 1984 to accommodate local costs of the inland transport of goods; September 27, 1984 to provide additional funds for inland transport; September 18, 1986 to fund CARE operational expenses in connection with the management of commodity deliveries; August 31, 1987 to permit completion of the transport of Section 416 dairy products; May 31, 1988 to continue the completion of commodity transport; and September 30, 1987 to outline the transfer of project funds and responsibility from CARE to OAR/Nouakchott. The total amount of funds authorized during the life of project was \$1,343,125.

Following the June 1993 close-out of operations in Mauritania, project files were delivered to the REDSO/Abidjan office. This project assistance completion report was compiled from these documents, which consisted of PILS, correspondence, an IG audit, and Catholic Relief Services (CRS) reports. The original operational plan and a final project evaluation were not available for this review.

II. CONTRIBUTIONS OF THE PARTIES

GIRM

The GIRM contributed administrative support through the CSA.

USAID/OFDA

Commodities provided by the U.S. Government through USAID were sold under the Section 416 program. The original grant in the amount of \$1,699,524 was provided by the Office of Foreign Disaster Assistance (OFDA). These funds were used for monitoring, internal transport and distribution of commodities.

CARE & CSA

The organization CARE provided logistical support for the Mauritania emergency food transport program, concentrating on secondary transport. This assistance was provided in cooperation with the CSA.

CRS

The Catholic Relief Services assisted in the movement of commodities.

III. IMPLEMENTATION

OAR/Nouakchott worked closely with the CSA to oversee the successful distribution of commodities. The CSA was responsible for procuring the required transport services in accordance with both proper Mauritanian contracting practices and the regulations that govern AID host country contracting. This function was performed in conjunction with CARE.

OAR/Nouakchott agreed to pay the contractors on the basis of vouchers that were reviewed administratively and approved by CSA and OAR/Nouakchott. Mauritanian firms and firms within free-world developing countries were eligible to provide services financed under the agreement.

Prior to commodity distribution, CSA and OAR/Nouakchott agreed upon the distribution points, the standard contracts, the shortlist of qualified firms, and a destination-specific rate structure. CSA's Director of Logistics and Transport signed individual contracts with every supplier for each destination. Any single contract exceeding \$100,000 had to be administratively reviewed by USAID before execution.

A list of approved primary and secondary transport sites used for the distribution of commodities included the following: Adel Bagrou, Aioun, Aiounatt Zbil, Akjoujt, Aleg, Amourj, Aouinatt Zbil, Aoujeft, Atar, Bababe, Barkeol, Bassikounou, Bir Mogrein, Boghe, Boumdeid, Bousteilla, Boutilimit, Chinguetti, Djiguenni, Djonaba, El Ghoudiya, F'Derick, Fassala Nere, Guerrou, Kaedi, Kankossa, Keur Macene, Kiffa, Kobbeni, Lecheb, Maghama, Magta Lahjar, Male, M'Bagne, M'Bout, Mederdra, Monguel, Moudjeria, N'Beika, Nema, Nouadhibou, Ould Yenge, Oual Naga, Oualata, Quad Naga, Oualata, R'Kiz, Rachid, Rosso, Selibaby, Tamchakett, Tichitt, Tidjika, Tiguint, Timbedra, Tintane, Touil, and Zouerate.

For payment after the successful distribution of commodities, the transportation contractor submitted to the CSA a copy of the contract, an invoice, and supporting documents. Once the CSA approved the claims for payment, it was forwarded directly to USAID for administrative approval and payment. The OAR/Nouakchott Controller's Office then arranged for payment to the contractor directly.

Catholic Relief Services

AID grants to the Catholic Relief Services in the amount of \$192,196 provided program support from May 15, 1984 to June 30, 1989. The grant funded the movement of commodities, including clearance and inland transportation of 830 MT of PL 480 commodities. It also covered: travel and monitoring costs; personnel; training of new volunteers; and the purchase of needed commodities, including medicines, scales, charts, plastic bags and office supplies.

CRS submitted quarterly financial reports to OAR/Nouakchott as a basis for quarterly advances, and produced a summary financial report at the expiration of the contract. (This was an addition to their regular Title II development program.)

On June 6, 1989, AID granted an additional \$45,000 to CRS for emergency humanitarian relief. The emergency program was authorized following a declaration by the United States Ambassador on April 26, 1986 of a state of disaster in Mauritania resulting from mounting civil strife.

Non-Food Commodities

No waivers were requested under the project.

One four-wheel drive vehicle and spare parts were procured for \$28,000.

The project had originally provided funds to cover the cost of tax-free fuel for CSA trucks when used for emergency free food transport; however, the CSA failed to obtain ministerial approval to purchase tax-free fuel. The funds were therefore shifted to more general internal transport costs.

CSA was entitled to retain property financed under the Grant Agreement on condition that the property be used to further the project's objectives. OAR/Nouakchott delivered to CSA a Chevrolet Suburban passenger vehicle and three portable computers. The U.S. Embassy was assigned to monitor the use of the equipment. OAR/Nouakchott recommended that the CSA permanently assign the items to the Doulos Community program in Nouakchott prior to CRS's departure from Mauritania.

After OAR/Nouakchott assumed responsibility for completing the final transport of commodities, a Suzuki four-wheel drive Jeep was transferred from CARE to OAR/Nouakchott to facilitate the distribution of dairy products. The transfer of the vehicle also helped OAR/Nouakchott remain within its tight budgetary constraints. The transfer was authorized by the CARE headquarters in New York.

CRS transferred property it had purchased under an OUTREACH Grant to the Doulos Community. These goods included: two IBM computers and peripherals, one 20 KVA generator, one GEHA photocopier, one Peugeot 504 vehicle, and one Toyota pickup.

OAR/Nouakchott transferred a Toyota pick-up IT 455 to the Doulos Community as "non-expendable property" to support the group's continuation of relief activities.

Due to the contract close-out, a memo dated March 20, 1989 decommitted commodities including: a M.L. Dicko FFP Monitor \$879.15; Thiam Ahmmedou Tidjane for \$373.77; Petty Cash Payments of \$64.54; Budget Analyst \$140.55; award \$463; TA-AID-682-88-145 for \$910.82; TA-AID-682-88-146 for \$346.21; and petty cash for \$80. The expected total decommitments was \$5,871.90.

Following CRS's cessation of its Mauritania operations, a close-out analysis was prepared jointly by OAR/Nouakchott and CSA. The report stipulated that USAID had to reimburse CSA for the transportation of 5,000 MT of commodities, at the cost of \$83,596. This corresponded to the actual transportation of 95 percent of the donated commodities.

The OAR/Nouakchott office donated to the Doulos Community the following PL 480 Title II food: 19,000 (950 MT) sacks of sorghum; 8,800 cartons of dry milk; and 2,651 cans and 2,922 cartons of vegetable oil.

USAID Financial Inputs

A summary of project financial reports as of June 30, 1993 indicated that of the life of project funding, \$1,343,125 had been obligated and \$1,342,028 was disbursed. Remaining project funds were deobligated.

IV. ACCOMPLISHMENTS OF PROJECT OBJECTIVES

Mauritania was one of the North African countries most severely affected by the Sahelian drought. In 1985, when the Mauritanian Government began its first systematic, nation-wide emergency food distribution, it estimated that 80 percent of its population of 1.7 million was in need of food. The government's concern was based on continuing declines in agricultural production. The 1984 harvest had yielded only 15,000 MT, which equated to seven percent of Mauritania's cereal requirement. During the same year, nearly 30 percent of Mauritania's livestock perished.

The international community responded generously to the CSA's appeal for financial and material assistance for the affected populations, providing a variety of multi-level and bilateral grants and commodities, including wheat, sorghum, barley, corn, milk powder and butter oil. This assistance enabled the CSA to begin free food distributions.

According to the original planning, national distributions were to occur every two months and the average beneficiary family of five members was to receive an allocation of 50 kgs of cereal, five kgs of milk powder, and five kgs of butter oil. Allocations for the regional distributions were determined by the central CSA authority based on information gathered by its departmental officials in the countryside. The food was carried by private transporters contracted by CARE and the CSA from Nouakchott to each of the departmental centers. For beneficiaries living more than 10 kms from the departmental center, secondary transport was arranged to move the food to villages and drop-off points.

CARE

At the request of the CSA and various donors, CARE International agreed to arrange and monitor inland transport, report on distribution problems, and verify and process transport bills. To accomplish this, CARE provided 12 field and office personnel to work in collaboration with the CSA officials.

The CSA successfully conducted six national distributions with the help of CARE. The first distribution occurred between February and April 1985 and totalled 8,150 MT for the three regions in which CARE operated. The second distribution, during which operations were extended, took place between April and June 1985 and totalled 16,750 MT.

The third distribution of 26,397 MT and an agricultural campaign were undertaken from July 1985 to February 1986. During this distribution, the CSA undertook an additional effort known as the "Agricultural Campaign," which provided incentives to herdsmen and farmers in the form of supplemental food to increase production. No USAID funds were expended in these campaigns.

The fourth distribution between February and May 1986 distributed 16,800 MT. The fifth, from June to September 1986, again distributed 16,800 MT. The sixth, including the agricultural campaign of 1986, occurred between October 1986 and February 1987, and distributed 14,110 MT. CARE participated in all six phases, distributing the entire 99,000 MT that had been supplied by various donors. USAID grant funds supported the third, fourth, fifth and sixth distributions, for a total of nearly 60,000 MT.

The bulk of 24,170 MT of commodities provided by USAID to the CSA, (including 12,870 MT wheat, 8,800 MT milk powder, and 2,500 MT butter oil) were distributed during the third phase. Remaining butter oil and milk powder stocks were provided during the fourth, fifth, and sixth distributions as complementary commodities to the cereal rations provided by other donors.

Some modifications in the distribution system were made early in the program. Originally, CARE had contracted one large commercial transport firm to handle all food contracts. This was intended to permit maximum control over the movement of emergency free food aid. CSA insisted that CARE share the transport contract equally among all transporters. A compromise was ultimately reached between the two, whereby registered transporters were used for all primary distributions and the initial firm was retained for secondary transport. The additional transport contractors created greater administrative demands, and this was considered to have slowed transport efforts.

CARE suspended its operations in Mauritania on April 15, 1987. OAR/Nouakchott therefore requested that the OFDA deobligate the funds under this grant from CARE as of May 20 and reobligate them to OAR/Nouakchott on same date. The OAR/Nouakchott also requested a grant extension at this time.

CRS

Responding to the drought of the early 1970's, CRS established a permanent presence in Mauritania in 1975. Its work consisted of free food distribution, health education and growth surveillance under PL-480 Title II regular development program. CRS was contracted by OAR/Nouakchott to assist with the delivery of commodities through the organization's existing food assistance network.

The organization assisted the GIRM to improve the health of children aged 0-5 and other nutritionally deprived persons by distributing Title II food packages to the families of children enrolled in nutrition centers, orphanages and hospitals. The group also monitored the growth of the children, provided health and nutrition education, and organized staff training at its nutrition centers.

CRS gave priority to pregnant and lactating mothers and malnourished children in drought-stricken areas. These activities complemented existing US regional emergency assistance efforts in Trarza, Adrea and Tagant. CRS assisted the Drought Emergency Food Assistance project through organizing storage and transport of 830 MT of the project's PL-480 Title II food commodities.

CRS had experimented with Food For Work programs in three regions: a community garden project in Ajouer, a road construction project in Soumass, and a dam construction project in Guerou. The group found that food incentive provided a poor motive for the garden project, but was quite successful with the others.

During the CRS' draw-down, its rural nutrition centers were phased out, and the Nouakchott centers were turned over to the Doulos Community (a U.S. private voluntary organization). CRS attributed its pull-out to poor collaboration with the government agencies and an inability to properly control its existing program. CRS reported that the lack of strict commodity control in the distribution centers was due to the low level of education and training of the center's staff, and CRS's inability to generate interest in project activities at the centers. It also reported that CRS/Mauritania was unable to get its program on a firm financial footing and to make it self-sustaining and was unable to measure the impact of its program on the country's malnutrition rate.

Prior to project closeout, two consultants, an epidemiologist and a health planner, were contracted to assess the implications of CRS's closure. Project documentation did not cite the results of the assessment.

USAID

Following CARE's departure from Mauritania, OAR/Nouakchott assumed responsibility of the OFDA grant for the internal transport of Section 416 commodities. This included monitoring and transport of the remaining 5,000 MT of food, verifying delivery of commodities, and granting payment for the primary and secondary transport of goods. OAR/Nouakchott estimated that these activities required a staff of three monitors, drivers and vehicles. The costs were estimated at \$52,000 for operating expenses and \$145,000 for transport.

To implement the remainder of the program, OAR/Nouakchott examined its options and decided to contract two CARE employees to serve as monitors as long as Section 416 commodities were being distributed. OAR/Nouakchott had declined to retain CARE services at \$100,000 due to budgetary constraints. A third OAR/Nouakchott employee was reassigned to work with the project. This team used the departmental dossiers prepared by the original CARE field staff for verification of bills.

The remaining incoming commodities included 5,000 MT of milk powder and butter oil. During final field visits, OAR/Nouakchott discovered that some transport documents had not been completed properly, and some centers had not yet completed their scheduled secondary transport.

Due to improvements in agricultural conditions by 1987, significant stocks of emergency section 416 products were not distributed as emergency feeding. OAR/Nouakchott urged the GIRM to move the remaining commodities to the regional centers to facilitate final free distributions.

V. LESSONS LEARNED

Due to the absence of a final project evaluation, only a few lessons learned were identified in project documentation that may assist planners of future drought assistance projects.

1. An efficient transportation method needs to be developed prior to instituting food distribution efforts. CARE's original plan of using one large commercial carrier to handle all food contracts was considered an administratively efficient method. CSA's compromise of making contracts available to all registered carriers, regardless of reputation, created delivery delays and a paperwork nightmare. CARE was required to sign individual contracts for every transportation assignment.
2. A clearly-defined banking mechanism needs to be organized at the project planning stage. The funds channeled through the CSA were not handled expeditiously, which caused cash flow and accountability problems. This situation prompted an IG investigation. Following the audit, the financial process was streamlined to facilitate movement of funds.
3. Contractor reporting and recordkeeping methods should be monitored closely from the beginning to avoid later complications. A CRS internal audit found that the organization was deficient in supplying timely activity reports, and commodity losses had not been reported through the proper channels. Even spoiled food had been disposed of without OAR/Nouakchott consent.