

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT DATA SHEET	1. TRANSACTION CODE <input type="checkbox"/> A = Add <input type="checkbox"/> C = Change <input type="checkbox"/> D = Delete A	87707 Amendment Number	DOCUMENT CODE 3
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2. COUNTRY/ENTITY USAID/MOROCCO	3. PROJECT NUMBER 608-0213
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4. BUREAU/OFFICE Near East Bureau <input type="checkbox"/> NE	5. PROJECT TITLE (maximum 40 characters) <input type="checkbox"/> TADLA RESOURCES MANAGEMENT
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6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 09 30 98	7. ESTIMATED DATE OF OBLIGATION (Under 'B.' below, enter 1, 2, 3, or 4) A. Initial FY 93 B. Quarter 4 C. Final FY 95
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8. COSTS (\$000 OR EQUIVALENT \$1 =)						
A. FUNDING SOURCE	FIRST FY 93			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	10,625		10,625	10,625		10,625
(Grant)	(8,801)	()	(8,801)	(18,750)	()	()
(Loan)	()	()	()	()	()	()
Other U.S.						
1.						
2.						
Host Country					3,575	3,575
Other Donor(s)						
TOTALS	10,625		10,625	10,625	3,575	14,200

9. SCHEDULE OF AID FUNDING (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1)				10,625		10,625		10,625	
(2)									
(3)									
(4)									
TOTALS				10,625		10,625		10,625	

10. SECONDARY TECHNICAL CODES (maximum 5 codes of 3 positions each)	11. SECONDARY PURPOSE CODE
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12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each) A. Code B. Amount

13. PROJECT PURPOSE (maximum 480 characters)

To increase the efficiency, economic yield and environmental sustainability of irrigation resources management and use in the Tadla irrigation perimeter of Morocco.

14. SCHEDULED EVALUATIONS Interim MM YY MM YY Final MM YY 05 95 09 97	15. SOURCE/ORIGIN OF GOODS AND SERVICES <input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input checked="" type="checkbox"/> Local <input type="checkbox"/> Other (Specify)
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16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)

JP **A** USAID/Morocco Controller approves proposed methods of implementation and financing.

17. APPROVED BY	Signature Title Mission Director, USAID/Morocco	18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION Date Signed MM DD YY 03 25 99
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UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
MOROCCO

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American Embassy Rabat
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APO AE 09718

ACTION MEMORANDUM TO THE MISSION DIRECTOR

DATE: March 18, 1994


FROM : Rick Scott, PPPD

Problem : Approval for the Project Paper Amendment and the Project Authorization Amendment for the Tadla Resource Management Project (608-0213)

Background:

The Tadla Resource Management Project is assisting the Government of Morocco through its regional irrigation authority (ORMVA) to rationalize water use and irrigation patterns in the Tadla Irrigation Perimeter. The project provides technical assistance, training, commodities, applied research and demonstration support, and institutional strengthening activities to increase the efficiency, economic yield and environmental sustainability of water resources management in the Tadla Perimeter, one of the largest and most important in Morocco.

The Project was authorized at a USAID funding level of \$18,750,000 on 7/30/92. In the course of implementing contract competition, the Mission was informed that future year DA and ESF funding levels would be decreased. Since project implementation had effectively not yet begun, the Mission decided that this project was one that could be potentially modified to reflect decreased LOP funding.

Discussion:

An in-depth analysis of the project followed. In consultation with GOM counterparts, changes were made which resulted in decreasing the LOP funding requirement by \$8,125,000 to the current level of \$10,625,000. These changes are detailed in the attached PP Amendment.

There were two broad considerations for this cut: one, to modify work tasks within the project, and two, to look at ways in which other projects in the Mission could fill in gaps resulting from the cuts. In the first case, the duration of in-country presence of the institutional contractor was changed from 5.75 to 4 years, a planned cooperative agreement with the International Irrigation Management Institute (IIMI) was canceled and more responsibility

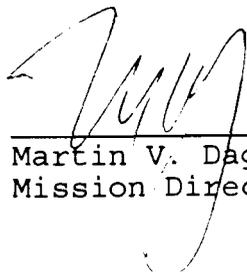
for completion of certain tasks was given to government counterparts. In the second case, other projects in the Mission portfolio were directed to focus more resources on the Tadla Region.

The most important changes in the original Project paper are the elimination of a separate private sector component and the elimination of the IIMI Cooperative Agreement. The amended project will also focus more on gender and environmental issues than in the original PP.

The Project Committee finds that, based on the analysis presented in the attached Project Paper Supplement and despite the decrease in funding, the project will maintain its integrity and credibility. Based on this analysis, the committee accepts the Project Paper Supplement.

Recommendations:

- 1) That you approve the attached Project Paper Amendment by signing its cover sheet; and,
- 2) that you sign the attached project Paper Authorization Amendment Number 1 decreasing the LOP funding to \$10,625,000 from \$18,750,000.

APPROVED:  Date: 3/25/94 DISAPPROVED: _____
 Martin V. Dagata
 Mission Director

Drafting Officer: ANR:DMeski 

Clearance:

DDIR: JHradsky 
 ANR: CUphaus 
 PPPD: EAmundson 
 RCO: MReynolds 
 OFM: NKRomwall 
 RLA: KODonnell 

*clearance by ANR/OC
 Rama Sankar
 (by ANR)*

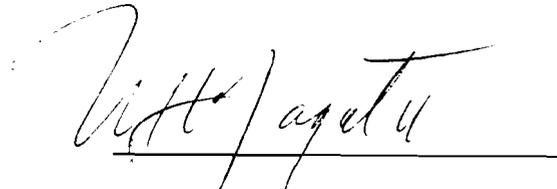
PROJECT AUTHORIZATION AMENDMENT NUMBER ONE

Name of Country: Morocco
Name of Project: Tadla Resource Management
Number of Project: 608-0213

Pursuant to Section 103 of the Foreign Assistance Act of 1961, as amended, the Tadla Resource Management Project, authorized on July 30, 1992, is hereby amended as follows:

The level of planned obligations is decreased from not to exceed \$18,750,000 to not to exceed \$10,625,000 in grant funds.

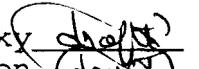
The Authorization cited above remains in full force except as hereby amended.

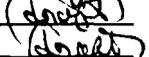


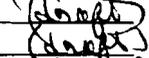
Martin V. Dagata
Mission Director

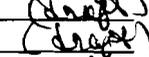
Draft: PPPD:RScott 

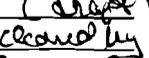
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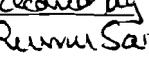
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PPPD:EAmundson 

RCO:MReynolds 

OFM:NKRomwall 

ANR:CUpheus 

RLA:KODonnell 

cleared by
Renu Sarban (ANE/OL)



**PROJECT PAPER AMENDMENT ONE
MOROCCO (608-0213)
TADLA RESOURCES MANAGEMENT (TRM)**

I. BACKGROUND

The Tadla Resource Management Project was authorized on July 30, 1992 for a total LOP funding level of \$18,750,000. During the process of full and open competition for the institutional contract to implement the project, the Mission was informed by AID/W that projected overall funding levels in the out years could not be maintained. Because the contract had not been awarded and no commitments made, the Mission included this project in the universe of projects that might be subject to decreased funding or termination. After thorough review, the Mission decided that the project could still maintain its integrity even if certain discrete activities were deleted or modified. The implementation contract has been signed. The purpose of this Project Paper Amendment is to reflect modifications necessary to bring project activities in line with the new LOP total of \$10,625,000 (the total obligations to date) -- a reduction of \$8,125,000.

The two major modifications to the original Project Paper are a decrease in the institutional contractor's in-country presence from 5.75 to 4.5 years, and the elimination of the project's separate private sector component. The following sections describe in more detail these and the other changes in the Project Paper. All changes have been discussed with and provisionally agreed to by the institutional contractor. All other parts of the original Project paper and the attached technical analyses remain the same.

II. MAJOR CHANGES

A. Duration of Institutional Contract

The overall length of the institutional contractor's presence in Morocco will be reduced from 5.75 to 4.5 years. This action results in a reduction in both long and short-term technical assistance and related indirect costs, which will reduce LOP cost by \$4 million. To compensate, project activities will be more aggressively targeted toward more immediate technology and knowledge transfer.

B. Private Sector Component (component 4 in original Project Paper)

The original Project Paper Summary (from 1992) states, "A crucial element of the project will be the engagement of the local private sector including local agricultural associations and cooperatives and small and medium enterprises . . ." Since then, conditions for the private sector actors in the Tadla perimeter have steadily improved: first, other donors (especially the

IBRD) have become more involved in, and supportive of, improved water management throughout Morocco; second, Tadla perimeter area agribusiness and the private sector in general are benefitting from country-wide economic liberalization; and third, additional Mission resources are now in place to assist the Moroccan private sector in general, and the Tadla area in particular. These developments provide opportunities for increased business activity and value. USAID has taken advantage of this dynamic situation in refining its approach to working with the private sector in the area.

This Project Paper Amendment will eliminate the originally planned four year in-country expatriate private sector advisor, a high percentage of the previously planned project funded short term assistance, and much of the private sector-specific training. To compensate, much of the planned training and short term technical assistance will be provided through other Mission projects, primarily Morocco Agribusiness Promotion, Training for Development, and New Enterprise Development.

The modified project's work with the private sector will be less comprehensive but, with help from the above-mentioned projects, will provide more direct, specific assistance including the possibility of work in areas that might otherwise receive less emphasis; e.g., the role of women in local enterprise. Thus, instead of providing comprehensive assessment and assistance to regional agribusiness interests (including developing a comprehensive private sector strengthening program, establishing a private sector promotion program, and actively increasing private sector participation in the Tadla water allocation, management, and use equation), the new project may provide direct assistance to producers' groups to make them more effective and efficient, or help local producers deal with marketing or input supply problems.

Under the amended Project, assistance will be provided to the private sector in Tadla aimed at:

- strengthening producers' and water users' organizations;
- encouraging the private sector to supply appropriate production inputs;
- pollution control, and formulating policies and programs related to environmental issues as they affect enterprise efficiency and financial return.

Other Mission projects will provide assistance in:

- resolving production and marketing constraints;
- formulating policies and programs supportive of private sector development in the region;
- developing private sector support services for the region.

1. private sector component inputs

	original	amended
■ long term technical assistance	4 py	none
■ short term technical assistance	35 pm	21 pm
■ Training (shared cost), overseas training, study tours	22 pm	10 pm

2. private sector component outputs

Outputs have been greatly reduced. Results will include strengthened (more active) producers' groups and a more active, responsive private sector role in input supply -- in contrast to the overall requirement in the original PP of increased business volume and value. Production processes should be designed to be more "environmentally friendly" as well, by virtue of being more efficient and by using different raw materials. Short term technical assistance and collaboration with other Mission projects, particularly New Enterprise Development, will also result in greater participation of women in professional groups, associations, and cooperatives in the area.

Following are the impacts on the private sector actors in the Tadla perimeter that are expected through this project with help from the other projects mentioned above:

- Adoption by producers' associations of more efficient business practices;
- Development of investment plans for farmers' associations and agricultural interests that include clear goals for membership service and privatization of commercial activities;
- Improved public-private sector dialogue and information flow, leading to increased private participation in perimeter resources allocation, management and decision-making;

- Increased opportunities for women's participation in cooperatives, professional association and related sector activities;
- Adoption by private firms and cooperatives in the region of more efficient and profitable production, processing and marketing plans.

C. IIMI Cooperative Agreement

A third significant change in the modified project is the deletion of the planned \$750,000 Cooperative Agreement with the International Irrigation Management Institute (IIMI). IIMI has experienced difficulties in obtaining adequate other donor funding to maintain an operative presence in Morocco which was one of the conditions precedent to going ahead with the Cooperative Agreement. Because of this delay, IIMI also has not been able to establish itself in the project area in as timely a fashion as originally scheduled. As a result, IIMI's utility as a contributor to the realization of project objectives has been compromised.

IIMI was originally to be a major actor in developing an improved system for determining crop water requirements and optimum irrigation quantities and scheduling in the project area. As noted in the original PP, the ability to do this already exists to some extent with USAID's host country collaborating institutions (ORMVAT, INRA, IAV). ORMVAT will now take the lead in this activity; its ability to successfully carry out this work will be enhanced by increased attention being paid to this activity under the first component of the Project (Improved Irrigation System Management) and to a lesser extent those carried out under component two (Improved On-farm Water Management).

III. OTHER MODIFICATIONS

A. Irrigation System Management (Component 1)

The primary objectives of this component will continue to be to establish appropriate irrigation, water use, and planning and monitoring units within the project area. Information gathered by these units will be used to develop a coordinated surface water resources management system for Tadla. The main change is the decrease in duration of institutional contractor presence in the country, with reductions in both ST and LT technical assistance. However, the contractor is confident that the planned outputs can still be achieved.

1. Component Inputs

Specific inputs to this component are modified as follows:

	<u>Original</u>	<u>Amended</u>
■ Long-term Technical Assistance (Irrigation Engineer)	5.5 PY	4 PY
■ Short-term Technical Assistance	57 PM	38 PM
■ System Diagnostic Studies	no change	
■ Surface Water Hydrology/Hydraulics	no change	
■ Training (shared cost)	no change	
■ Equipment and Supplies:	no change	

2. Component Outputs

The outputs planned for this component are not altered. The principal objective is more efficient, reliable, flexible and timely delivery of irrigation water, through the following intermediate steps:

- Increased availability of critical management information to farmers, processors, and other public and private agricultural interests in the region.
- Improved information available for irrigation planning purposes, resulting in increased system productivity from improved decision-making.
- Completion of diagnostic study to establish baseline conditions related to water system hydrology, hydraulics and demand.
- Integration of World Bank PAGI II project activities (main system structural rehabilitation) into ORMVAT water system management activities.

B. On Farm Water Management (Component 2)

As noted above, this component, in addition to addressing already programmed activities, will give a higher priority to the establishment of monitoring and information units and developing an overall and efficient water use plan for the region. Any reference to IIMI'S participation in this activity in the original project paper is no longer applicable.

1. Component Inputs

	<u>original</u>	<u>amended</u>
■ Long-term Technical Assistance (Farm Management Specialist)	4.5 py	4 py
■ Short-term Technical Assistance	42 pm	23 pm
■ Training		no change
■ Equipment and Supplies		no change

2. Component Outputs

The contractor assures that these reductions will not jeopardize achievement of all planned component outputs.

C. Sustainable Environmental Management (Component 3)

Given the importance of the environmental issues, this component's objectives remain as programmed in the original PP. However, the inputs have been modified in order to meet budgetary limitations. The Irrigation Specialist will assume full responsibility for the implementation of this component with the assistance of the farm management specialist.

1. Component Inputs

	<u>original</u>	<u>amended</u>
■ Short term technical assistance	50 pm	30 pm
■ Water/Soil Quality Analysis Services		no change
■ Training (shared cost) 10 pm of ST training Overseas		no change
■ Equipment and Supplies -- no change except reduction of vehicles from 2 to 1		

2. Outputs

The planned outputs of this component are not modified. The contractor believes that they can be met with the lower level of short-term technical assistance.

D. Project Administration, Monitoring, Evaluation and Outreach (Component 5)

As stated in the original PP, all of the Project components and activities will be administered and coordinated by the long term, expatriate contractor Chief-of-Party (COP), who will be assisted by a full office staff, based at ORMVAT headquarters in Fkih Ben Salah. The above-mentioned reductions in level-of-effort will permit associated reductions in the LOE for this component. The revised inputs and outputs for this aspect are summarized below:

1. Administration Inputs

	<u>original</u>	<u>amended</u>
■ Long-term technical Assistance		
✓ Chief-of-Party	5.75 py	4.5 py
✓ Office support staff	5.5 py	4 py
✓ Monitoring Evaluation specialist	5 py	4 py
✓ Short-term technical assistance		
✓ Special studies and analyses	30 pm	24 pm
✓ Evaluations	20 pm	8 pm
✓ Audits	10 pm	4 pm
■ Training (shared cost)		
✓ Project Start-Up workshop	1	1
✓ Project planning, Monitoring and Evaluation workshops	9	5
✓ National Information dissemination/sharing workshops	5	3
✓ English Language training	no change	
■ Equipment and Supplies		
✓ Vehicles	12	8
✓ office equipment, supplies and all vehicle operations and maintenance.	no change	

2. Outputs

The outputs of this component are not modified, per contractor assurances.

IV COST ESTIMATE AND FINANCIAL PLAN

The total cost of the project was initially estimated at \$25 million, of which the USAID contribution was estimated at \$18,750,000. The participating GOM agencies and the private sector had to contribute to the Project cost with \$6,250,000. With the current revision USAID's contribution is reduced to \$10,625,000, while GOM and the private sector's contribution is reduced to \$3,575,000. The Table below presents a summary of the revised total project costs by major input category. This table amends and replaces table 3.1 presented in the PP (Page 40).

As stated in the original PP, USAID will provide grant funds which corresponds to 75 percent of the total anticipated cost of the Project. These funds will be provided for technical assistance, training, supplies and indirect costs to support implementation of the project component.

Revised TRM Project Budget Summary
(\$000s)

ITEM/SOURCE	A.I.D.		GOM & OTHER		TOTALS	
	orig.	amend.	orig.	amend.	orig.	amend.
Amendment						
Technical assistance	7,140	3,805	2,700	1,440	9,840	5,245
Training	1,335	575	460	190	1,795	765
Commodities	2,060	1,700	1,600	1,310	3,660	3,010
indirect costs	7,465	4,545	1,240	635	8,705	5,180
IIMI cooperative agreement	750	0,000	250	0,000	1,000	0,000
TOTAL COSTS	18,750	10,625	6,250	3,575	25,000	14,200

TRM PROJECT
ILLUSTRATIVE TA BUDGET
PROJECT PAPER AMENDMENT NUMBER ONE

	PY		RATE (\$000)	TOTAL (\$000)	
	Orig.	Amd		Orig.	Amd
Long-Term TA:	5.75	4.5	190	1,092.5	855
- Chief of Party	5.5	4	190	1,045	760
- Irrigation Engineer	4.5	4	190	855	760
- Agricultural Economist	4.0	0	190	760	0
- Private Sector Coordinator					
- Monitoring and Evaluation Specialist	5	0	40	200	0
SUBTOTAL				3,952.5	2,375
		PM			
Short-Term TA:	Orig.	Amd			
- Component 1	57	24	10	510.0	510
	6		-	90	-
- Component 2	42	28	10	420.0	280
- Component 3	50	25	10	500.0	250
- Component 4	35	60	10	350.0	600
- Admin, M&E, Policy	10	4	15	150	60
SUBTOTAL				2,020	1,430
Admin. Support Staff	33	PY	7.7	253.0	253
Lab Analysis Services				314.0	100
Training:					
LT Training	48	PM 24	3	144.0	72
ST Training	62	PM 34	10	620.0	34
Private Sector In-Country	3600	ind No i	1	360.0	360
In-Country Workshops	20	10	10	200.0	100
English Lang. Trg	60	PY no ch	15	9.0	9
SUBTOTAL				1,330.0	1,200
Equipment & Supplies Technical Equip, & Install				1,146.5	1,200
Vehicles	12	8		300.0	200
Vehicles O&M				156.0	100
Supplies and Communications				400.0	200
SUBTOTAL				2,002.5	1,700
Overhead & Fee				5,386.2	2,916
Contingency				476.3	1,062
Inflation				1,116.5	
Evaluation & Audits					214,000
GRAND TOTAL				16,854.0	10,625