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Via delle Terme di Caracalla, 00100 Rome, Italy

Cables: FOODAGRI ROME

Telex: 610181 FAO I

Telephone: 57971

Ref.: G/X/DDF-70

12 December 1983

Appointment of FAO Representative in Upper Volta

The Director-General of the Food and Agriculture Organization of the United Nations has the honour to announce that with the concurrence of the Government of the Republic of Upper Volta, Mr Gana Diagne has been appointed as FAO Representative in Upper Volta with effect from 1 November 1983.

Mr Diagne, who is a national of Senegal, holds degrees in agronomy from the Ecole nationale supérieure agronomique, Montpellier, and from the Ecole supérieure d'agronomie tropicale, Nogent-sur-Marne. For some fifteen years Mr Diagne served with distinction in African regional organizations and became Director-General of the International African Migratory Locust Organization (OICMA) in 1971. He joined FAO in 1978 and, until his appointment as FAO Representative in Upper Volta, was Senior Country Projects Officer in the Regional Operations Service for Africa, Agricultural Operations Division.

Mr Diagne succeeds Mr Philippe-Auguste as FAO Representative in Upper Volta. *JH*

Mr. W. Clausen
President
World Bank
WASHINGTON

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Via delle Terme di Caracalla, 00100 Rome, Italy

Cables: FOODAGRI ROME

Telex: 610181 FAO I

Telephone: 57971

Ref.: G/X/DDF-71

13 December 1983

Appointment of FAO Representative in Uruguay

The Director-General of the Food and Agriculture Organization of the United Nations has the honour to announce that with the concurrence of the Government of the Eastern Republic of Uruguay, Mr Emilio Trigueros-Molina has been appointed FAO Representative in Uruguay with effect from 1 December 1983.

Mr Trigueros-Molina, who is a national of Spain, holds a Ph.D. from the Escuela Técnica Superior de Minas (Spain) and has long experience in hydrogeology and water-use planning as a senior Government official in his country. Mr Trigueros-Molina who had previously been closely associated with FAO activities in Spain, joined the Organization in April 1978 as FAO Representative in Colombia, where he has served until his appointment as FAO Representative in Uruguay.

Mr Trigueros-Molina succeeds Mr Torrejón-Straube as FAO Representative in Uruguay. *TH*

Mr. W. Clausen
President
World Bank
WASHINGTON



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Via delle Terme di Caracalla, 00100 Rome, Italy

Cables: FOODAGRI ROME

Telex: 610181 FAO I

Telephone: 57971

Ref.: FA 5/5

In reply please mention
our subject code ref.
and date of this letter

NOV. 17 1983

cc: Mr. Bazin

FAO ✓

Dear Mr. Burney,

I wish to thank you for your letters of 21 and 25 October addressed to Dr. El-Ghonemy, sending us comments, information, references and material for the ECOSOC report on "Review and Analysis of Agrarian Reform and Rural Development".

We appreciate the trouble taken by the Bank in providing comments under the various chapter headings of the annotated outline. These will be taken into consideration in the drafting of the report.

We wish also to thank you for the publications sent, which will certainly be useful for our work. We also appreciate receiving the print-out of abstracts of articles and studies in the field of poverty alleviation. Although we shall not be able to make use of the extensive bibliography provided in the short time available for this report, we have already benefited from data obtained from your Organization (through the visit of Messrs. Pariboni and Kerr). These have already been used in the report to the FAO Conference and will further be utilised in the preparation of the ECOSOC Report.

In regard to the bibliography provided, we shall probably be needing it for our longer-term and continuing work on periodic reporting of rural poverty alleviation, as called for under the WCARRD Programme of Action. We shall be writing to you in due course for specific materials for this continuing work.

Meanwhile, I thank you for your cooperation and for the material that you have kindly sent us.

Kind regards.

Yours sincerely,

L.C. Arulpragasam
Chief

Land Tenure and Production Structure Service
Human Resources, Institutions and Agrarian Reform Division

Mr. M.A. Burney
Senior Adviser, UN Affairs
International Relations Department
The World Bank
1818 H Street N.W.
Washington, D.C. 20433

FAO

November 3, 1983

Dear Mr. Jalil:

We very much appreciate your sending to us the Report on the Second Inter-Country Consultation for Latin America and the Caribbean on the Implementation of the Programme of Action of the World Conference on Agrarian Reform and Rural Development held in Quito, Ecuador, in July, 1983. We are forwarding the report to our Latin America and Caribbean Regional Office for its use.

You may wish to note that the new Director of the International Relations Department is Mr. Shahid Javed Burki, to whom further correspondence can be addressed.

Sincerely,

Mahmud A. Burney
Senior Adviser, UN Affairs
International Relations Department

Mr. Mario E. Jalil
Assistant Director-General
Regional Representative of FAO
for Latin America
Food and Agriculture Organization
Regional Office for Latin America
Casilla 10095
Santiago, Chile

cc: C. Quijano (with incoming letter & attachment)

LPachter:rd

FAO

October 27, 1983

Dear Mr. Islam:

As referred to in my telex to you of October 27, I am pleased to enclose a copy of the annotated outline of the WDR 1984. We would appreciate it if the distribution of the outline is limited to staff who are directly concerned with population matters and who will be seeing Ms. Nancy Birdsall on November 15. We believe that such an exchange of views at this early stage of work on the 1984 report will be mutually beneficial to the two organizations. We thank you for arranging the meeting at such a short notice and during the FAO Conference.

Best regards.

Sincerely yours,

Mahmud A. Burney
Senior Adviser, UN Affairs
International Relations Department

Enclosure

Mr. M. Islam
Assistant Director-General
Economic and Social Policy Department
Food and Agriculture Department (FAO)
Via delle Terme di Caracalla
00100 Rome, Italy

cc: Mr. Boucher
Ms. Birdsall

MABurney:rd

FAO

cc: Messrs. Bazin, New York Office
Zachariah, PHN

October 25, 1983

Dear Mr. El Ghonemy:

This is in reply to your letter, reference FA 5/5 of August 24, 1983. In our response of October 21, 1983, I mentioned that we needed an additional few days to locate appropriate studies of population, rural-urban migration, differentials. We were able to locate in-depth publications on West Africa, entitled Migration in West Africa (Oxford University Press 1981) and a two-volume Bank Staff Working Paper, Demographic Aspects of Migration in West Africa (1980), both prepared by K.C. Zachariah of the Bank. These are being sent to you under separate cover. In addition, we have run a computer search for materials on rural urban migration and attach a print-out of abstracts of articles and books that include material on this subject. You will note that the references are primarily but not exclusively to World Bank Staff Working Papers; they include other journal articles and published studies. Should you find among the abstracts a Bank publication that you feel would of particular interest, please let us know, and we will have it sent to you.

We hope the above materials will be of help in preparing the Report to ECOSOC.

Sincerely,

Mahmud A. Burney
Senior Adviser, UN Affairs
International Relations Department

Enclosure

Mr. M. R. El Ghonemy
Officer-in-Charge
Human Resources, Institutions and
Agrarian Reform Division
Food and Agriculture Organization
Via delle Terme di Caracalla
00100 Rome, Italy

LPachter:rd

October 21, 1983

Mr. M. R. El Ghonemy
Officer-in-Charge
Human Resources, Institutions and
Agrarian Reform Division
Food and Agriculture Organization
Via delle Terme di Caracalla
00100 Rome, Italy

Dear Mr. El Ghonemy:

This is in reply to your letter, reference FA 5/5 of August 24, 1983, which we received from our Representative to the United Nations, New York, Mr. Marc Bazin. In future you may want to address informational requests directly to me at Bank headquarters.

We have circulated the Annotated Outline for the ECOSOC Report "Review and Analysis of Agrarian Reform and Rural Development" to the relevant departments here in the Bank. Their responses are summarized in the pages that follow. In addition, we are sending published materials that should be of use in preparing the Report to ECOSOC, under separate cover, and you may receive some further materials from the Agriculture Department directly.

It should be noted that we were able to provide data for the WCARRO when Messrs. Pariboni and Keri visited from the FAO Statistics Division (see attached material). We have, as you requested, designated as officer for further substantive contacts, Mr. Ted J. Davis, Senior Rural Development Officer in the Agriculture and Rural Development Department, Monitoring and Evaluation Unit.

We are still trying to locate appropriate studies of "Population, rural-urban migration, differentials" (Chapter I A) that would be applicable to your study. If we are able to find such material we will send it to you in the next few days.

I hope the materials attached and those we are forwarding will be of help in the preparation of the Report. Do let us know if we can be of further assistance.

Sincerely yours,

M. A. Burney
Senior Adviser, UN Affairs
International Relations Department

Enclosures

cc: Mr. Marc Bazin
Messrs. A. Musa Ahmad, Ted Davis, (AGR)

LPachter:rd

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FOODAGRI, ROME, ITALY

MR. N. ISLAM, ASSISTANT DIRECTOR-GENERAL, COPY MR. BHATTACHARJEE.

REFERENCE MY TELEPHONE CONVERSATION WITH MR. BHATTACHARJEE EARLY

THIS WEEK CONCERNING VISIT BIRDSALL, TEAM LEADER, WDR 1984, TO

DISCUSS WITH FAO STAFF ANNOTATED OUTLINE AND SCOPE OF PART II OF

WDR. PART II WILL DEAL WITH VARIOUS ASPECTS OF POPULATION SUCH AS

DEMOGRAPHIC CHANGE AND PUBLIC POLICY, CONSEQUENCES FOR ECONOMIC

GROWTH AND INCOME INEQUALITY, FAMILY PLANNING AS A PUBLIC SERVICE,

REGIONAL PERSPECTIVES AND THE ETHICS AND POPULATION POLICY.

INITIALLY WE HAD REQUESTED FOR A DAY AT FAO AT THE END OF NOVEMBER

AFTER THE FAO CONFERENCE, BUT [REDACTED] VARIOUS UNAVOIDABLE COMMIT-

MENTS REQUIRE BIRDSALL TO BE IN WASHINGTON AT THAT TIME. WE WOULD

APPRECIATE IF THE DATE CAN BE ADVANCED TO TUESDAY, NOVEMBER 15.

WE REALIZE THAT MANY SENIOR OFFICIALS WILL BE PREOCCUPIED WITH THE

CONFERENCE, BUT HOPE THAT STAFF AT SENIOR WORKING LEVEL WILL BE

ABLE TO SEE BIRDSALL. SHE HAS FIRM APPOINTMENTS WITH ILO AND WHO

ON NOVEMBER 16 AND 17. WE BELIEVE THAT A HALF DAY E.G., MORNING OF

NOVEMBER 15 WILL BE SUFFICIENT FOR A GROUP DISCUSSION TO BE [REDACTED]

FOLLOWED BY BRIEF INDIVIDUAL MEETINGS IF NECESSARY. WE HAVE

AIRMAILED COPY OF THE OUTLINE FOR DISTRIBUTION TO PARTICIPATING

STAFF. REGRET SHORT NOTICE AND HOPE THAT IT COULD BE POSSIBLE TO

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DEPARTMENT:

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cc: Mr. Boucher
Ms. Birdsall

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1. ~~S.J. Burki~~
2. ~~A. Shaker~~
3. ~~C. Boucher~~
4. ~~M. Burney~~
5. ~~V. Riley~~
6. ~~V. Masoni~~
7. ~~D.R. Glarke~~
8. ~~R.L. Ayres~~
9. ~~M.P. Carl~~
10. ~~J. Valeriano~~
11. ~~V. Lake~~
12. ~~M. McDonald~~
13. ~~L. Pachter~~
14. ~~L. Lassen~~
15. ~~R. Diggs~~
16. ~~J. Schilling~~
17. ~~E. Blackman~~
18. ~~F. Favis~~

Hicks

OFFICE MEMORANDUM

cc: Mr. Verant

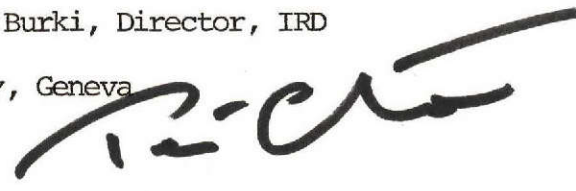
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TO: Mr. Shahid Javed Burki, Director, IRD

DATE: 11 November 1983

FROM: L. Peter Chatenay, Geneva

SUBJECT: FAO Conference

1. I attended the beginning of the 22nd session of the FAO Conference from 7 to 10 November. The US Secretary of Agriculture, John Block, was elected Chairman. FAO management was hoping this election would ensure that the Conference would not face a battle over the FAO budget as had been the case earlier.
2. Dr. Bruno Kreisky, the past Chancellor of Austria, was a guest speaker. His message, in short, was that developing countries individually could hardly be expected to fund the infrastructure they all needed if their development was to take off. Only through regional action could that infrastructure be installed, for example, in the transportation or water sectors. Therefore, regional action programs were needed. How to fund them? Dr. Kreisky thought that a small drop in the armaments budgets was the answer.
3. In his introductory statement, the FAO Director-General, Dr. Saouma, started with a gloomy description of the world economic situation including declining international solidarity. The recovery noted in some advanced countries and its effect on poor countries remain uncertain. International trade has suffered and 1982 may have seen the sharpest drop in the volume of trade in agricultural commodities for 20 years. The poorest countries have suffered most. Dr. Saouma said that, according to World Bank figures, a marked fall is likely in the real prices for coffee and tea and to a lesser extent in palm and groundnut oil compared to the average for the last 20 years.
4. While food stocks are plentiful, prospects for the 1983 crop were less encouraging said Dr. Saouma. World cereal stores which were equivalent to 21% of annual consumption may fall back to 17%. In low-income, food-deficit, countries the situation is getting worse. In over 30 low-income countries, population growth was outpacing the increase in food production.
5. Dr. Saouma stressed the particularly grave situation in Africa. He indicated that the special meeting he had called in October, in which donors were urged to speed up food deliveries to Africa, had not been successful. A similar meeting was being called on 10 November. From preliminary indications, the US, France and other industrialized countries will announce an increase in emergency food aid to Sub-Saharan countries at that meeting.
6. In describing the decrease in international solidarity, Dr. Saouma referred to the September meetings of the Fund and Bank. The decisions made then, he said, "were not sufficient to get the Third World economy turning over again". He also mentioned that the problem of IDA resources still had to be resolved. He expressed deep concern about the resources of IFAD and of UNDP.

/.....

7. Turning to the 1984/85 FAO budget which he proposes to set at \$420 million for the two years, he called it an austerity budget with maximum cutbacks (-6.6%) in administrative expenses and maximum increases (+3.6%) in the technical and economic programs. The net total increase over the last budget is to be 0.5%. As for the Technical Cooperation Program, its budget, according to the FAO proposal, is to increase by 5% to compensate in part for the loss of UNDP funds to FAO which in 1982-83 dropped by 20% in real terms.

8. Dr. Saouma placed great stress on his food security proposals. The aims are to increase production, ensure stability in the flow of supplies and secure access to those supplies for the neediest. Pricing policies, he remarked, were one of the key determinants of success. Fisheries (a World Conference on Fisheries Management and Development will be held in 1984), Forestry (the 9th World Forestry Conference in Mexico in 1985 will have forestry for development as its theme) and the draft international agreement on Plant Genetic Resources were listed by Saouma as his priorities among the items before the Conference. He expressed satisfaction with the positive reaction he was getting to his proposal for setting up a new Research Department in FAO.

9. In the statements which I heard in the general debate, all speakers agreed with the priorities laid down by the Director-General. Most speakers from developing countries expressed regret about the levelling-off of FAO's budget, while those from the main contributors spoke favourably, especially about the cut in administrative costs. Several Ministers from OECD member countries stressed the need to improve coordination between FAO and other institutions. Indeed, if there was criticism in those speeches it seemed to be directed, albeit softly, at FAO's attitude about coordination with others.

10. Much was said about food security. Pisani, speaking for the EEC, was one of many who stressed that the key to food security was necessarily to be found at the national level. A situation in which a few rich countries held the bulk of world food reserves and thereby became responsible for world food security was unhealthy and unacceptable.

11. On the regional side, priority of action for Africa was strongly approved by all.

12. The World Bank was mentioned several times in the general debate. The references were usually to the fact that the Bank was by far the largest multi-lateral supplier of funds for agriculture, food production and rural development. A couple of times, mention was made of the conditions laid down by the "international financial institutions" but this was very muted criticism.

13. I spoke to Dr. Saouma and to Mr. West who both expressed to me pleasure at the Bank's presence in the meeting hall. Few of the UN specialized agencies were represented. I saw nobody behind the WHO, ILO or UNESCO signs, nor indeed did I spot anyone from UNDP. In addition to Pisani in plenary, the EEC

Mr. Shahid Javed Burki

11 November 1983
page 3

made a statement in Committee I on the general world agricultural situation. It is my recommendation that, at the next FAO Conference, the Bank also ask for the floor either in the general debate in Plenary if someone at vice-presidential level could speak on Bank policies in agriculture, food production and rural development, or in the Committee dealing with specific FAO programs for which the Bank might have a contribution to make. It was, in my view, a good thing to have a Bank representative at the opening of this Conference. It would be even better if we could also show interest by taking part in the discussions. After all, over 100 Ministers of Agriculture are assembled and I can imagine no better congregation for a series of useful contacts at highest level.

cc: Mr. Marc L. Bazin, New York

Rachel



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Ref.: G/X/DDF-69

23 November 1983

Appointment of FAO Representative in Swaziland

The Director-General of the Food and Agriculture Organization of the United Nations has the honour to announce that in line with the deliberations of the Seventy-fifth Session of the FAO Council, and at the request of the Government of Swaziland the accreditation of the FAO Representative in Mozambique has been extended to cover also Swaziland.

Mr Miguel González de Moya has been appointed as FAO Representative in Swaziland with effect from 1 November 1983.

With the concurrence of the Government of Swaziland and the Government of Mozambique, Mr González de Moya will perform his liaison functions with the Government of Swaziland and supervise FAO activities in that country, in addition to his duties as FAO Representative in Mozambique. *JK*

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Mr. W. Clausen
President
World Bank
WASHINGTON

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7 November 1983

Appointment of FAO Representative in Sierra Leone

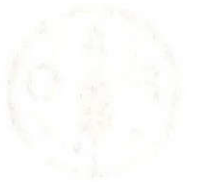
The Director-General of the Food and Agriculture Organization of the United Nations has the honour to announce that with the concurrence of the Government of the Republic of Sierra Leone, Mr E.W. Bolle-Jones has been appointed as FAO Representative in Sierra Leone with effect from mid-October 1983.

Mr Bolle-Jones, who is a national of the United Kingdom, holds a Ph.D. from the University of Bristol, United Kingdom. After approximately twenty years' experience in his home country and abroad, Mr Bolle-Jones joined FAO in 1966 as a Fertilizer Expert in Saudi Arabia. Subsequently, he served in senior field positions in Iran, Malaysia and Burma. From 1978 until his appointment as FAO Representative in Sierra Leone Mr Bolle-Jones was FAO Representative in Guyana and Suriname.

Mr Bolle-Jones succeeds Mr U.J.H. Grieb as FAO Representative in Sierra Leone. *JA*

Mr. W. Clausen
President
World Bank
WASHINGTON

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Ref.: G/X/DDF-15

5 November 1983

Appointment of FAO Representative in Tanzania

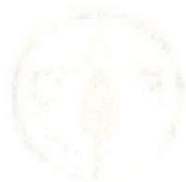
The Director-General of the Food and Agriculture Organization of the United Nations has the honour to announce that with the concurrence of the Government of the United Republic of Tanzania, Mr C.R. MacCulloch has been appointed as FAO Representative in Tanzania with effect from 1 October 1983.

Mr MacCulloch, who is a national of New Zealand, holds a degree in Agriculture from the University of Reading, United Kingdom. He joined FAO in 1966 as Regional Agricultural Development Adviser in Somalia. He then served as Senior Agricultural Adviser/FAO Country Representative in both Yemen Arab Republic and the Philippines where he later became FAO Representative. From 1979 until his appointment as FAO Representative in Tanzania Mr MacCulloch was FAO Representative in Jamaica and the Bahamas.

Mr MacCulloch succeeds Mr D.H. Wozab as FAO Representative in Tanzania. *JK*

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Mr. W. Clausen
President
World Bank
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Via delle Terme di Caracalla, 00100 Rome, Italy

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Telex: 610181 FAO I

Telephone: 57971

Ref.: G/X/DDF-67

5 November 1983

Appointment of FAO Representative in Jamaica

The Director-General of the Food and Agriculture Organization of the United Nations has the honour to announce that with the concurrence of the Government of the Republic of Jamaica, Mr David H. Wozab has been appointed as FAO Representative in Jamaica with effect from 1 October 1983.

Mr Wozab, who is a national of the United States of America, holds a degree in Geology from the University of Southern California. After several years' experience in the field of water resources in his own country and abroad, he joined FAO in 1957 and served mainly as Manager of FAO-executed projects in Jordan, El Salvador, Jamaica, the Philippines, Libya and Greece. From 1980 until his appointment as FAO Representative in Jamaica Mr Wozab was FAO Representative in Tanzania.

Mr Wozab succeeds Mr C.R. MacCulloch as FAO Representative in Jamaica. *[Signature]*

Mr. W. Clausen
President
World Bank
WASHINGTON



联合国
粮食及
农业组织

FOOD AND
AGRICULTURE
ORGANIZATION
OF THE
UNITED NATIONS

ORGANISATION
DES NATIONS
UNIES POUR
L'ALIMENTATION
ET L'AGRICULTURE

ORGANIZACION
DE LAS NACIONES
UNIDAS PARA
LA AGRICULTURA
Y LA ALIMENTACION

منظمة
الأغذية
والزراعة
للأمم
المتحدة

Via delle Terme di Caracalla, 00100 Rome, Italy

Cables: FOODAGRI ROME

Telex: 610181 FAO I

Telephone: 57971

Ref.: G/X/DDF-66

29 September 1983

Appointment of FAO Representative in Zaire

The Director-General of the Food and Agriculture Organization of the United Nations has the honour to announce that with the concurrence of the Government of the Republic of Zaire, Mr Gérard Philippe-Auguste has been appointed as FAO Representative in Zaire, with effect from 1 September 1983.

Mr Philippe-Auguste, who is a national of Haiti, holds a degree in Agriculture from Iowa State College (USA). After several years' service with the Ministry of Agriculture in his home country, he joined FAO in 1963 and served the Organization in Africa in field project assignments and in the Regional Office for Africa. From 1978 until his appointment as FAO Representative in Zaire, Mr Philippe-Auguste was FAO Representative in Upper Volta.

Mr Philippe-Auguste succeeds Mr Niaré as FAO Representative in Zaire. *Jb*

Mr. W. Clausen
President
World Bank
WASHINGTON

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PAO

Minutes of Meeting between FAO Representatives and World Bank Representatives

1. On Monday, June 27, 1983, a meeting was held at the World Bank in Washington, D.C. with two visiting staff of FAO - Mr. Beringer, Director Field Programme Development Division, and Mr. Perez de Vega, Liaison Officer Unilateral Trust Fund. Attending from the Bank were: Mr. Blanchi, Acting Assistant Director, WAP and Chairman, Mr. Thoolen (WAPA4), Mr. Denness (WAPA1), Mr. Meadows (WAPA2), Mr. Sihm (WAPA3), Messrs. Bourgin, Naab, and Ms. Risen (APMU), Ms. Hwang (LOADII), Mr. Southall (LEG), Mr. Riley (IRD), and Mr. Spier (PAS).
2. The purpose of the meeting was to explore further the possibilities that FAO could help the Bank Borrowers secure the Technical Assistance necessary to implement Bank/IDA financed projects in the West Africa Region. Such possibilities had already been mentioned during brief meetings at the highest echelon of FAO and Bank Management and during a seminar on this subject held in the Bank in February 1983. Preliminary discussions also took place in Rome during meetings with Bank staff. The Representatives of FAO stressed their interest in such collaboration. They noted that some activity of that nature already exists.^{1/} The meeting then proceeded to examine some of the issues for this collaboration.
3. To begin, the FAO Representatives described the structure of FAO and the Unilateral Trust Fund arrangements which would apply to Technical Assistance to Bank/IDA projects. The FAO Representatives then explained the type of contracts they have with individual experts and which fall into two broad categories - the first one being the normal FAO experts including those hired under the Special Services agreements or under the reimbursable loan. Under this type of contract the experts are put at the disposal of recipient Governments, and are professionally responsible to the Government in the day to day performance of their assignments but they report officially to the Director General of FAO. The second category of contracts is the Operational Assistance (OPAS). Under this management experts perform within the Government structure and may discharge operational responsibilities including the management of funds. The FAO Representatives explained that OPAS contracts are only a small percentage of total Technical Assistance; certainly less than 10 percent overall and less than 5 percent for experts financed under Trust Fund finances. In FAO's experience the OPAS contracts have not proven entirely satisfactory and it is doubtful that these will be used to a significant extent for Bank financed projects at least for the time being.
4. The Bank Representatives stressed to the FAO Representatives the need that the FAO experts involved in Bank/IDA financed projects be instructed to follow faithfully the purposes and goals of the projects that they will help implement, as defined in the Appraisal Reports and Legal Documents and all other documents relevant to the projects as negotiated with the Government. The

^{1/} There are at present 23 Bank/IDA financed projects involving FAO Technical Assistance worldwide.

experts will take particular care to follow the Terms of Reference specific to their positions as defined in agreement with Government at the time of appraisal or at any other time. The Bank Representatives also stressed that while they always welcome suggestions on how to best implement projects, these suggestions have to be made in complete agreement with the Bank and the Borrowers and should not be implemented before having received the agreement of all parties concerned.

5. The FAO Representatives gave the assurance that (i) the TORs for the experts, the job descriptions and other relevant documents would be normally attached as Annexes to the UTF Agreement covering the Technical Assistance; (ii) the individual experts would also receive detailed instructions from Headquarters on the need for them to faithfully foster the agreements reached between the Government and the Bank; (iii) while the FAO Representative in a country is the FAO team leader in that country, this leadership role does not imply line functions or responsibility regarding implementation of the projects in which the FAO experts work; (iv) the FAO Representative would receive special instructions from FAO Headquarters regarding his role vis-a-vis experts.

6. Considerable discussions took place on the subject of reporting. Under present arrangements all reports by FAO experts are sent to FAO Headquarters directly. The Bank Representatives emphasized that these procedures may create certain difficulties in connection with Bank/IDA financed projects. Both parties agreed that this issue requires further discussion, keeping in mind the respective responsibilities of the two institutions.

Recruitment and Bidding Procedures

7. FAO Representatives stated that FAO could not become involved in competitive bidding with private consulting firms. However, FAO would be prepared on request to submit a proposal to a Government to be considered, on technical grounds, alongside proposals from other sources.

8. FAO Representatives confirmed that there would be no difficulty in the Bank clearing individual candidates as and when stipulated in the Legal Documents of the project. While FAO can also act as a recruiting agency for Bank funded projects, FAO is more interested in broad-based cooperation with the Bank and Borrowers including training fellowships and procurements, as well as recruitment. Some discussions took place on what conditions and at what stage of the project cycle the Bank could bring the possibility of FAO's involvement to the attention of a Government. Bank Representatives noted that this would be done as early as possible in the project cycle usually at the time of appraisal. Mr. Beringer mentioned that he had already informed FAO Representatives of the possibility of FAO involvement in forthcoming Bank/IDA projects. He also invited Bank staff to visit the FAO Resident Representatives during their missions to learn what FAO is already doing in the field of technical assistance in various countries.

Funding

9. Further discussions took place between FAO and the Bank concerning advances to FAO in the case of FAO involvement in recruitment and contract administration of experts for Bank-assisted projects. Advances would be made against a blanket withdrawal application submitted by Bank borrowers for the total cost of the contract. Advances would be made to FAO by the Bank's Loan Department up to a six month period and additional scheduled payments would be made upon receipt of invoices indicating actual expenditures incurred during the previous months.
10. The question of safeguarding FAO's commitments in the case of loan suspension by the Bank was also discussed. The Chairman assured FAO that technical assistance was usually exempted from suspension by the Bank, and that the Bank would normally allow for a sufficient notice period on FAO contracts for technical assistance. However, no written agreement could be made on this matter.
11. FAO Representatives clarified that actual recruitment of technical experts would be handled by the individual Operations Units within the Technical Departments. The Field Programme Development Division (D.D.F.) of the Development Department is involved in all matters concerning the elaboration of new project proposals, until the time the Agreement is signed, and in their overall monitoring thereafter.
12. The Chairman stated that the next step would be identification by the Bank and the Borrowers of existing or future Bank/IDA assisted projects which would be candidates for cooperation with FAO in the provision of technical assistance.

June 29, 1983



NEWS

FOR USE OF INFORMATION MEDIA. NOT AN OFFICIAL PUBLICATION.

This has also been issued
by FAO Headquarters, Rome

7/83

Washington, November 28 -- The Conference of the UN Food and Agriculture Organization (FAO) has adopted a resolution launching an international undertaking on plant genetic resources so that they can be better explored, preserved and made available for plant breeding and scientific purposes.

The Conference, FAO's highest governing body, also adopted a resolution at its meeting in Rome, Italy requesting the FAO Council to immediately establish a commission on plant genetic resources. The commission would give policy guidance to FAO in this field and monitor progress in the implementation of the undertaking.

The undertaking asks for various commitments by governments to safeguard plant genetic resources and to ensure their unrestricted availability for the purposes of plant breeding and agricultural development of all countries.

Governments are asked to take action to better explore and collect in their own territories all valuable plant genetic resources that are in danger of becoming extinct. They are also asked to maintain or to develop and adopt legislative measures to protect and preserve such resources in their natural habitat or, if necessary, in gene banks or living collections. Governments and institutions having placed such resources under their control should allow unrestricted access to samples of such resources by others for scientific and plant breeding purposes. The undertaking also calls for strengthening international efforts supported by FAO, other UN institutions and the Consultative Group on International Agricultural Research (CGIAR) including those of the International Board for Plant Genetic Resources (IBPGR), in the scientific guidance and promotion of plant genetic resources collections, preservation and exchange. The undertaking

.../...

particularly aims at strengthening capabilities of developing countries to survey and safeguard their own resources, to breed improved crop varieties and to develop their infrastructures in seed production and distribution.

At the heart of the undertaking is a commitment to develop under the auspices of FAO an internationally coordinated network of national, regional and international centers in order to hold, for the benefit of the international community and of future generations, collections of plant genetic resources of important plant species. This material should be held on the principle of unrestricted exchange.

Immediately after the closure of the 22nd Conference in Rome last week, the FAO Council at its 85th session acted on the Conference resolution and established the new FAO Commission on Plant Genetic Resources. It will meet simultaneously with the Committee on Agriculture (COAG) and report to the Council. The Commission is open to all member nations of FAO and will keep under review the further development of international cooperation in the exploration, collection, conservation, documentation, availability and use of plant genetic resources.

The international undertaking on plant genetic resources was launched by the 22nd FAO Conference in response to a proposal from FAO Director-General Edouard Saouma following a request by the 21st FAO Conference in 1981.

In other action, the 22nd Conference unanimously approved the programme of work and budget for 1984-85. The Conference, which opened on November 5, noted in its report that the new budget of \$421 million, based on a rate of 1,615 Italian lire to the U.S. dollar, provided for "a modest but well-timed net increase of 3.6 percent in resources for the organization's technical and economic programmes of direct developmental impact, while limiting the overall net programme growth to only 0.5 percent."

This "modest increase," it added, "was only made possible by further reducing administrative and support services costs to a minimum level, and by a further elimination of some established posts, while still allowing for a timely and effective delivery of programmes."

.../...

The Conference expressed special concern over the situation in Africa where 22 Western, Eastern and Southern African countries with a combined population of 150 millions are threatened by grave food shortages.

It "noted with concern" that preliminary statistics by FAO indicated a decline of one percent in world food and agricultural production in 1983 after an increase of about three percent in the preceding two years.

Moreover, it observed, production in developing countries "had increased at a rate well below that of the previous two years and also lower than the average for 1978-82." In the developed countries, food production had declined by 8 percent, particularly in cereals where a drop in coarse grain output of 13 to 14 percent was reported, notably in North America.

The Conference, which elected U.S. Secretary of Agriculture John R. Block as chairman, was attended by almost 1,000 delegates from FAO's 156 member countries, including 110 of ministerial rank.

The Conference also:

- Expressed full satisfaction with progress made by FAO in carrying out the aims of the World Conference on Agrarian Reform and Rural Development held in 1979 to alleviate rural poverty with special emphasis on small and landless farmers and women;
- Welcomed a study on land, food and population, which found that the world as a whole should have enough cultivable land to feed far more than the maximum population it may ever have to support, but also that the number of countries which cannot feed their populations from their own resources would go up from 55 in 1975 to 65 by 2000 if inputs remained low;
- Acknowledged the importance of World Food Day, October 16, as a rallying point for action in support of agricultural and rural development objectives;
- Approved the target of \$1,350 million in food and cash aid for the UN/FAO World Food Programme for 1985-86;

.../...

-- Endorsed the revised FAO guidelines and targets for international agricultural adjustment to facilitate food production and agricultural trade and to strengthen food security as regards developing countries;

-- Admitted four new states - Antigua and Barbuda, Belize, Saint Christopher and Nevis, and Vanuatu - to FAO membership, raising the total to 156.

* * * * *

FAO

6/27/83

1) Perez
2) Beninger } FAO

7.1

Call Smith | Blanchi |

Get Bourge Paper + Attach This

Bronte Friedheim - FAO Ready to accept all ^{Qualifed} Candidates now in APW and all we may need.

How will this work

Look up List of FAO Projects in W. Afr

Advisers

Type 1

SSA

Regular FAO Contract

Answerable to FAO

For ^{all} reasonable demands, answerable to Govt; but legally to FAO

Type 2

Reports etc. have FAO's seal

OPAS - Org NOT involved in Substantive Input
Can assume line function in Govt Dept

Can sign Chk etc. - FAO not responsible

Tried to stay away from this

Some difficulty/embarrassment.

Also difference in benefits

UNDP OPAS

There is Expert Govt Contract

& Agency Stipend

FAO OPAS

FAO pays whole salary

60 OPAS - 1600 Type 1 / No more than 5% of Bank loan cover now are, in fact, OPAS

Half ~~FAO~~ in Mozambique

1. Relation of Experts to FAO/UNDP in field - Perception

2. Ensure they will still follow arrangements ~~between~~ between Bank/Govt or Loan

→ Not wish to act only as recruiting agency; ~~but~~ FAO has technical competence

FAO RL is leader of Country FAO Team; ^{but} has no line function. ~~Hedgtr would~~ He could report problem with ~~Hedgtr~~ experts to FAO Hedgtr; but only Hedgtr can act.

FAO likes to review report before issued

To what extent does Bank expect FAO's technical competence to be utilized,

FAO Agreement with Govt for Expert

1) Regular Expert Contract [He Reports directly to FAO]

2) Spec Serv. Contract - not under pension system, etc.

3) Reimbursable loan (i.e. expert from some other Govt/org)

4) OPAS

Article 9

In all matters not specifically dealt with in this Agreement, the Standard Basic Assistance Agreement between UNDP and the Government of signed on shall be applicable.

Article 10

This Agreement shall enter into force on the date when it has been signed on behalf of the Government and of FAO.

Article 11

11.1 This Agreement may be amended by written agreement between the Government and FAO, each of which shall give full and sympathetic consideration to any proposal for its amendment.

11.2 This Agreement may be terminated by either party by written notice to the other. The said termination shall take effect sixty days after receipt of such notice.

11.3 The obligations assumed by the Government and FAO under this Agreement shall survive the termination of the Agreement to the extent necessary to permit the orderly withdrawal of personnel, funds and property of FAO and the settlement of accounts between the parties.

For the Government of
.....

For the Food and Agriculture
Organization of the United Nations

Signed:

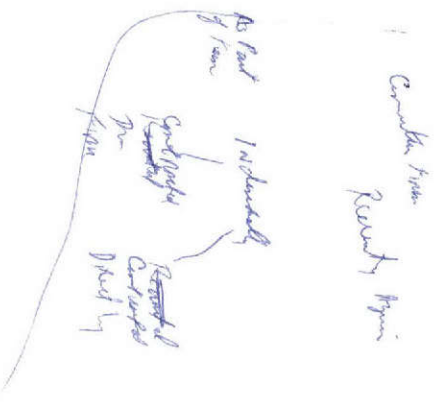
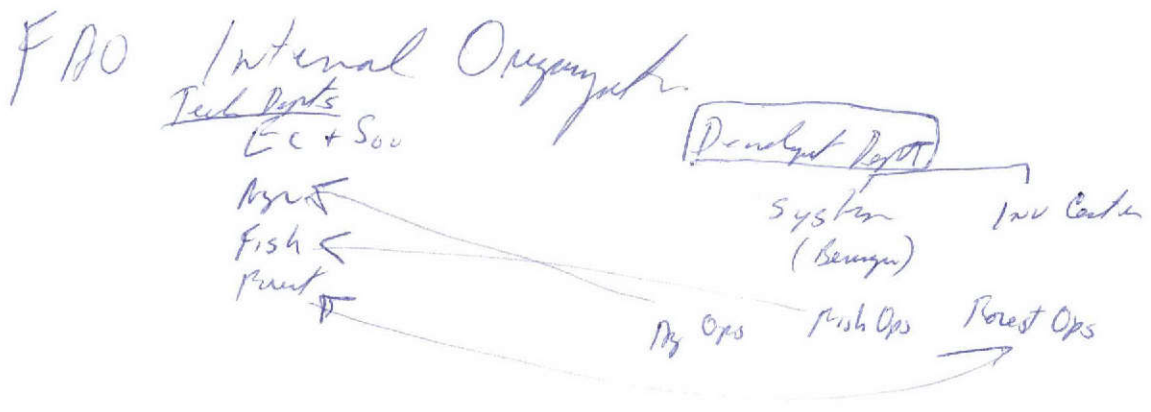
Signed:

Date:

Date:

Govts are member of FMO / They are not normally member of Consultancy Firm.
 Problem - Can Report to Govt.
 FMO Cannot Report to Bank on Deficiency of Govt.

Accept & Mo Admonne
 where Borrower has submitted ^{to bank} Unqualified Agreement to Reschedule for Full Amount.



Did you know that Bank has OPAS Agreement with 50 or so Countries.

6.3 To the extent that such costs are not the subject of an exemption by the Government, the Government shall pay any customs duties on the equipment, including supplies and other material, imported for the implementation of the Project, as well as all other costs related to the import of such equipment.

6.4 The Government shall also bear the cost of transport, handling and storage of the said equipment in the country, and related expenses.

6.5 The Government shall be responsible for the safe custody of the said equipment, and for its installation, maintenance, operation, insurance, and repair and replacement (if necessary), to the extent that there is no provision in Appendix I hereto specifically indicating that the cost of such activities is to be met from the Trust Fund.

6.6 If, due to unforeseen circumstances, the amount specified in Article 2.1 above proves to be insufficient to cover the total cost of the Project, FAO shall inform the Government accordingly. The parties shall then hold consultations with a view to agreeing upon appropriate modifications to the budget or the plan of work for the project so as to ensure that the expenses incurred by FAO for the Project can be covered by the Trust Fund.

Article 7

7.1 The Government shall take all necessary measures to assist FAO in obtaining such services and facilities as it may require to execute the Project.

7.2 The Government shall be responsible for dealing with any claims which may be brought by third parties against FAO, its officials or other persons performing services on its behalf, and shall hold them harmless in case of any claims or liabilities resulting from operations under this Agreement, except where it is agreed by FAO and the Government that such claims or liabilities arise from the gross negligence or willful misconduct of such personnel or persons.

Article 8

In all matters connected with assistance under this Agreement, the Government shall apply to FAO, its property, funds and assets and to its officials and any other person performing services for FAO in connection with the Project, the provisions of the Convention on the Privileges and Immunities of the Specialized Agencies and Annex II thereof relating to FAO.

Received from
Belmont (in NY) 6/20/80 FAO

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UN-AGENCY EXECUTION OF TECHNICAL
ASSISTANCE COMPONENTS OF BANK LOANS.

WBG ARCHIVES

- Informal Discussion Note -

The purpose of this note is to share FAO's experience in the preparation and execution of TA projects financed from the proceeds of loans by WB and Regional Development Banks.

Background

1. Over the past ten years, WB lending for TA has grown at a more rapid pace (15% p.a.) than its overall lending (7%). In 1982, US\$ 1.35 billion were lent for TA only, 90% of which was in the form of Technical Assistance components of loans (see Annex I). The UN Agencies as a whole executed only about 3% of the projects financed from these resources, according to WB estimates.
2. FAO is at present executing 26 projects with total approved budgets amounting to US\$ 60 m. approximately. The majority of these projects are financed from loans by the WB, followed by the African Development Bank (ADB) and the Inter-American Development Bank (IDB). These projects cover a wide variety of technical disciplines and geographical areas. In general, they involve a strong element of training and research and constitute essential inputs to the success of the investment projects within which they operate. Their development objectives are those of the investment projects.

Project identification

3. Project ideas' originate from many sources. In most cases, the borrowing countries have approached FAO for the execution of TA components. At present a more systematic screening of loans under preparation is being carried out with the assistance of FAO's. Bank staff do not normally assist in the identification of agency opportunities at the stage of project identification, unless the recipient country has decided to entrust the TA component to FAO already at that stage, in which case they are consulted.
4. FAO, when selected as executing agency, enters into an agreement with the borrowing country, following a standard text which has been previously agreed to by the WB. (see Annex II). Projects executed under these arrangements are considered Unilateral Trust Fund projects (UTF's) as against normal trust funds which involve three parties: donor, recipient and FAO.

../...

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MISS F. H. H.

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DEC 22

Consistency of agreements

5. A general problem which arises frequently is to ensure that the agreement for the TA component which is concluded between the Government and the Executing Agency is not inconsistent with the loan agreement Bank/Government. Since the loan agreement and related documentation (exchanges of letters, etc...) are not readily available to the Agency, consistency should normally be ensured by the Government. However, it would be unrealistic to expect Governments to identify discrepancies between the requirements of two international bodies, particularly when they involve detailed financial or technical matters.

6. In the circumstances, it would appear necessary to have an established system of consultations with the financing source prior to submitting the TA agreement to the consideration of the Government, to avoid placing the Government in the position of negotiator between two international institutions, with the consequent delays and difficulties.

Competitive bidding

7. Most loan agreements require that the execution of technical assistance components be subject to calls for tenders and competitive bidding on a commercial basis. This requirement has, on occasions, led Governments to exclude UN Agencies a priori since they cannot participate in a competitive bidding process on such basis.

8. In FAO's experience, however, UN Agencies' inability to bid along with private firms is not necessarily an obstacle. Borrowing countries may find, after examining the tenders received, that they do not compare favourably with the services potentially available from UN agencies, particularly taking into account other elements, such as country representations, backstopping, previous experience... Governments may also decide before calling for tenders that the TA component should be carried out by a UN agency, for example because the agency has been involved successfully in a particular sector for many years. In both cases, Banks have been willing to waive the bidding requirement at the request of the Government.

../...

Status of personnel

9. The executing agency may be asked to assume some of the Government responsibilities set out in the loan agreement, particularly as regards recruitment of staff.

10. As a consequence, Agencies are often expected to hire personnel to become national employees of the Government, responsible only to national authorities with functions and responsibilities of an exclusively national nature. The recourse to OPAS arrangements has proved to be the only solution, although OPAS experts are at a disadvantage by comparison with staff with full international status.

11. As far as FAO is concerned, this problem has not yet been solved satisfactorily: The Agency is placed in the situation of merely performing recruitment services for a Government and the experts are expected to keep a dual allegiance where responsibility and authority are not always clearly defined.

12. There may be need to reach a fuller understanding with recipient Governments concerning the functions and responsibilities of experts assigned to these projects, even if they retain full international status. Governments may be unduly concerned at a potential reluctance on the part of these experts to follow their instructions and guidance.

Conditions of loan effectiveness

13. Under FAO's financial regulations, commitments on Trust Fund projects cannot exceed funds available in the respective project accounts. On the other hand, the recruitment of key staff is often a condition of loan effectiveness. These two principles frequently create a difficult situation. Staff cannot be recruited unless funds are available and funds cannot become available unless the loan is effective.

14. Although the difficulty has been solved pragmatically on an "ad-hoc" basis, no long-term general solution exists at present. An "advance funding" mechanism available in FAO does not cover these situations adequately as it requires a signed document and Governments may be reluctant to conclude formal agreements unless the loan is effective.

.. / ...

*E. More modifying Conditions
or Accept letter/indent*

*This is getting closer
But they shouldn't be
a Condition is effective
only when loan is
effective*

*Who will finance?
UNDP Pre Inv. Fund. ?*

15. The solution may lie in the establishment of a pre-financing facility possibly in the form of a revolving fund designed to cover the essential requirements, on a recoverable basis once the loan has become effective. The element of risk involved would be amply compensated by the increased opportunities for execution of Bank-funded projects.

Use of interest

16. The present standard agreement text stipulates that no interest shall be paid as a result of deposits or debit balances (see Annex II, para. 2.5). However, all Trust Fund monies are deposited in interest-bearing accounts. The additional resources are treated in strict accordance with the instructions given by the source of funds. Under the traditional multi-bi system they are usually credited back to the project account, unless otherwise indicated by the donor. In Bank-funded projects, the interest is considered miscellaneous income, which is placed at the disposal of member Governments.

17. This anomaly was brought to the attention of WB authorities during the inter-agency seminar held last February. The WB undertook to look into it and issue directives concerning the use of these funds. Although the sums involved would be modest, due to the present schedule of payments (see below) appropriate use could be made of them, i.e., in the context of the pre-financing mechanism described earlier.

Method and schedule of payments

18. The use of the Blanket Withdrawal Application (Annex II, para. 2.2) allows Banks and Agencies to establish a direct relationship for calls for funds, disbursements and financial reporting. This system is working satisfactorily. However, the advance funding periods allowed by Banks do not normally exceed 6 months of project operations which, under a strict interpretation of the financial rules, would prevent FAO from making any commitments for longer periods.

*But why should
Borrowers pay?*

19. The WB has shown willingness to extend these periods to 12 months in a limited number of cases, but this provides only a partial solution. An increased measure of flexibility in the financial rules and practice of executing Agencies would go a long way towards solving this problem.

../...

Suspension of payments, budgets and cost overruns

20. Loan payments may be suspended by a Bank under a variety of circumstances foreseen in the loan agreements. This is an exceptional measure and, usually, payments are resumed after a certain period of time. In the few cases in which it has occurred, the Bank has given assurances that Agency on-going commitments would be honoured. Nevertheless, Agencies have no legal protection in such situation.

21. The situation on cost overruns is a similar one. Budgets are calculated with enough flexibility to cover contingencies on a limited scale. However, extended sick-leave periods or replacement of expensive equipment can exceed the budgeted amounts covered in the agreement. As it is the policy of Banks that loans cannot be supplemented or exceeded, the deficit devolves upon the executing Agency. *(or the borrower)*

22. As concerns both problems indicated above, more consultations with Banks are necessary to find solutions acceptable both to the financing institutions and executing agencies.

Restricted sources of recruitment and supply.

23. This problem arises mainly in connection with projects financed by Regional Banks which require that staff and equipment originate from their member countries. In practical terms, this requirement does not pose major problems for the executing agency since Regional Banks have a sufficiently large membership to provide ample choice of recruitment and purchasing sources. The problem is one of principles since FAO, like most UN agencies, would like to assure world-wide recruitment and purchasing rules whenever possible.

24. While this problem has been solved on an ad-hoc basis, it would be most useful to exchange views with other agencies concerning their experiences and practice.

Supervision, reporting and other matters

25. The role of the Banks of loan supervision has to be taken into account during the execution of technical assistance components. Although it is normally not expected to include detailed technical matters, which are the responsibility of the Executing Agencies, the possibility of conflict cannot be discarded. There is need for a clearer demarcation of supervisory functions between Agencies and Bank, not excluding joint supervision.

../...

26. As regards reporting, particularly technical reporting (financial statements fall under para. 2.2 of the agreement), FAO practice is to send progress reports formally to the Government concerned with a copy to the financing Bank. This system works satisfactorily.

27. There are other requirements which have created problems in a limited number of cases and it may be worth mentioning them as other agencies could have similar experiences :

- A regional Bank requested that the percentage for project servicing costs should not appear on the budget, while they had no objection to the total budgeted sum.
- FAO was requested to absorb non-convertible local currency in an amount which exceeded its absorption capabilities.
- A Government wished to subject the project exclusively to the provisions of national law as regards arbitration in cases of conflict.
- FAO has been asked to act as a comptroller of loan-provided funds. This is a function that some specialized private firms can perform, but falls outside the executing responsibilities of a UN Agency.

Conclusion

28. Bank-funded projects offer considerable scope for expanding the resources available to UN agencies for technical assistance. However, they require an innovative approach and a much more flexible mechanism than are at present in force. The WB has shown a most favourable attitude towards increasing the share of their TA components of loans which is executed by the UN. While several issues require in-depth examination and possibly inter-agency discussion, it is felt that considerable efforts will need to be made by the Agencies to meet this new challenge.

Table A

TEN YEAR SUMMARY OF WORLD BANK TECHNICAL ASSISTANCE

By Calendar Year 1/

Number of Projects and Allocations Approved by Technical Assistance Category
US\$'000

Technical Assistance Category	No.	CY73 \$	No.	CY74 \$	No.	CY75 \$	No.	CY76 \$	No.	CY77 \$
UNDP Projects										
Bank-Executed	(28)	8,948.9	(22)	12,568.5	(39)	22,042.7	(13)	5,468.2	(15)	14,189.5
World Bank T.A. Projects	(2)	9,000.0	(3)	16,000.0	(5)	24,000.0	(7)	27,200.0	(5)	19,700.0
T.A. in Bank Loans/Credits	(124)	51,153.9	(125)	107,423.3	(135)	165,325.3	(139)	232,403.5	(158)	184,045.4
Project Preparation Facility	-	-	-	-	-	-	(17)	3,475.0	(24)	6,138.0

Technical Assistance Category	No.	CY78 \$	No.	CY79 \$	No.	CY80 \$	No.	CY81 \$	No.	CY82 \$
UNDP Projects										
Bank-Executed	(34)	43,244.2	(39)	19,744.2	(57)	33,680.3	(51)	51,381.0	(31)	27,937.5
World Bank T.A. Projects	(7)	35,300.0	(11)	52,200.0	(8)	47,600.0	(12)	129,300.0	(14)	85,700.0
T.A. in Bank Loans/Credits	(196)	391,468.6	(169)	468,366.6	2/(214)	843,897.0	2/(194)	923,611.02	2/(219)	1,359,900.0
Project Preparation Facility	(27)	8,280.0	(39)	19,841.5	(64)	25,054.8	(55)	27,636.4	(51)	23,471.7

1/ Each July issue reports the 10-year summary by fiscal year.

2/ Beginning with CY79, figures include the category of Supervision/Implementation/Engineering. See Part IV.

AGREEMENT

between

THE GOVERNMENT OF

and

THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

Whereas the Government of (hereinafter referred to as "the Government") has entered into a Credit Agreement with the International Development Association (hereinafter referred to as "IDA") for the purpose of financing
[activity covered by the Credit Agreement]

Whereas the Government has requested the Food and Agriculture Organization of the United Nations (hereinafter referred to as "FAO") to carry out a technical assistance project (hereinafter referred to as "the Project") within the framework of the activities covered by such credit Agreement.

Whereas FAO has agreed to execute the project under the symbol and title
.....
and to establish a Trust Fund for this purpose.

The Government and FAO agree as follows:

Article 1

1.1 FAO shall be responsible for the execution of the Project in accordance with this Agreement and the Plan of Operations annexed to it as Appendix I.

1.2 FAO may, in agreement with the Government, execute part or all of the Project by subcontract. The selection of subcontractors and the award of contracts shall be made, after consultation with the Government, in accordance with FAO procedures.

1.3 Evaluation of the activities financed under the Trust Fund, including joint evaluation by the Government, IDA and FAO, shall be undertaken in accordance with the relevant provisions of Appendix I.

-

Article 2

2.1 The Government shall make available to FAO the funds needed to cover the costs of the project. The total amount of such funds shall not, however, unless the Government agrees otherwise, exceed US\$ which is the estimated total cost of the Project. Details of the budget estimates are set out in Appendix I. They take account of project servicing costs calculated at .. % of total actual expenditure incurred by FAO. They also take account of possible cost increases due to inflation, calculated at a rate of .. % per annum.

2.2 The Government shall, promptly on signature of this Agreement, submit to the IDA a Withdrawal Application, requesting the IDA to make provision for the direct payment to FAO of an amount not exceeding and to make an immediate transfer of an initial amount of to the account of FAO specified in paragraph 2.4 below. In the said Application, the Government shall also request the IDA to transfer further instalments to FAO in accordance with paragraph 2.3 below. The Government shall send FAO (Financial Services Division) a copy of the Application.

2.3 Subsequent instalments shall be deposited with FAO at intervals of six months. For this purpose, FAO shall, at least one month before the end of each six-month period, notify IDA of the amount needed to cover estimated project costs for the next six-month period, taking account of previous amounts received that have not been spent or committed by FAO. FAO will send the Government a copy of these notifications.

2.4 All payments shall be made to the FAO/UN General Dollar Account, Banca Commerciale Italiana - FAO Branch - Rome, Italy, indicating that the deposit is for the credit of Trust Fund Account No. All payments shall be made in US dollars or in other convertible currencies of unrestricted use. If payment is not in US dollars FAO will credit the Project with net proceeds on conversion to US dollars.

2.5 Neither the deposit of funds under this Agreement nor the existence of a temporary debit balance shall give rise to the payment of any interest thereon.

Article 3

3.1 FAO shall provide the personnel needed to carry out the Project as described in Appendix I, according to the timetable and job descriptions shown in that Appendix. The experts shall be recruited by FAO in accordance with its Staff Regulations and other rules and procedures, and assigned after clearance by the Government. The experts provided by FAO will be FAO staff members. They will carry out their duties in accordance with the terms of reference set out in Appendix I and with any related requests made by the Government officials concerned in the Project.

3.

3.2 FAO shall supervise and guide the experts in their tasks and provide them with the necessary administrative support and advisory services.

3.3 FAO shall make the necessary arrangements to meet all payments due to the experts and other expenses in connection with their assignment, in accordance with the Staff Regulations and other rules of FAO and, in particular:

- i. transportation to and from the duty station for the experts and authorized dependants and related costs and allowances, including where applicable such other expenses as home leave or visit to dependants;
- ii. salaries and allowances;
- iii. the cost of insurance provided by FAO against the risk of sickness, invalidity or death;
- iv. subsistence allowance to the experts on official travel within the country of duty, and actual travel costs if not provided by the Government.

3.4 FAO shall assign the consultants needed in accordance with Appendix I, after clearance by the Government, and shall make the necessary arrangements for the payment of the consultants' travel expenses to and from the duty station, the subsistence allowance on official travel and any remuneration which may be due to them under the terms of each contract.

3.5 FAO shall select, in consultation with the Government, candidates for the fellowships referred to in Appendix I. The selection and administration of fellowships shall be made in accordance with FAO rules.

3.6 FAO shall procure the equipment and supplies shown in Appendix I in accordance with its rules and procedures. Ownership of the equipment (including supplies and other material) shall vest in FAO. On completion of the project, title to the equipment shall normally be transferred to the Government. Any transfer to a recipient other than the Government shall be the subject of consultations between the Government and FAO.

3.7 The obligations of FAO under this Agreement shall be contingent upon receipt of the necessary funds. FAO shall not be required to assume any liability unless such liability can be covered by funds made available to FAO in the context of the Project.

.../...

Article 4

4.1 FAO shall keep separate records and accounts for the funds deposited with it in accordance with Article 2. FAO shall administer and account for the funds in accordance with its Financial Regulations and other rules, procedures and practices applicable in FAO. Any balance of these funds that has remained unspent on completion of the Project shall be held by FAO at the disposal of the Government, pending its directions concerning the use or transfer of the balance.

4.2 FAO shall submit to the Government and to IDA not later than 31 July of each year, a statement of accounts showing the use of funds during the previous calendar year and a final statement of accounts on completion of project activities.

4.3 All financial accounts and statements will be expressed in US dollars. The records and other evidence on which the statements of accounts will be based will be subject exclusively to the internal and external auditing procedures prescribed by the FAO Financial Regulations and Financial Rules.

4.4 FAO shall submit to the Government reports on the progress of the Project every 6 months as well as a final report on the operation and results of the Project.

Article 5

5.1 The obligations of FAO under this Agreement shall be subject to the decisions of its competent organs and to its constitutional, financial and budgetary rules.

5.2 The Trust Fund shall be used exclusively to cover the costs that are incurred by FAO for the Project, or which FAO is under a liability to pay in connection with the Project. The latter costs may include unforeseen expenditures arising from (but not limited to) the cost of repatriation of experts and their dependants; payment of terminal emoluments of experts or travel costs in connection with the reassignment of experts; medical costs and other payments due to experts under the Staff Regulations and other rules of the Organization.

Article 6

6.1 The Government shall be responsible for the recruitment, salaries and social security coverage of the national staff referred to in Appendix I hereto.

6.2 The Government shall provide, in accordance with Appendix I, the necessary supporting facilities and supplies in the country, such as local secretarial and other personnel services, office space, equipment and supplies procured locally, transportation within the country and communications.

6.3 To the extent that such costs are not the subject of an exemption by the Government, the Government shall pay any customs duties on the equipment, including supplies and other material, imported for the implementation of the Project, as well as all other costs related to the import of such equipment.

6.4 The Government shall also bear the cost of transport, handling and storage of the said equipment in the country, and related expenses.

6.5 The Government shall be responsible for the safe custody of the said equipment, and for its installation, maintenance, operation, insurance, and repair and replacement (if necessary), to the extent that there is no provision in Appendix I hereto specifically indicating that the cost of such activities is to be met from the Trust Fund.

6.6 If, due to unforeseen circumstances, the amount specified in Article 2.1 above proves to be insufficient to cover the total cost of the Project, FAO shall inform the Government accordingly. The parties shall then hold consultations with a view to agreeing upon appropriate modifications to the budget or the plan of work for the project so as to ensure that the expenses incurred by FAO for the Project can be covered by the Trust Fund.

Article 7

7.1 The Government shall take all necessary measures to assist FAO in obtaining such services and facilities as it may require to execute the Project.

7.2 The Government shall be responsible for dealing with any claims which may be brought by third parties against FAO, its officials or other persons performing services on its behalf, and shall hold them harmless in case of any claims or liabilities resulting from operations under this Agreement, except where it is agreed by FAO and the Government that such claims or liabilities arise from the gross negligence or willful misconduct of such personnel or persons.

Article 8

In all matters connected with assistance under this Agreement, the Government shall apply to FAO, its property, funds and assets and to its officials and any other person performing services for FAO in connection with the Project, the provisions of the Convention on the Privileges and Immunities of the Specialized Agencies and Annex II thereof relating to FAO.

Article 9

In all matters not specifically dealt with in this Agreement, the Standard Basic Assistance Agreement between UNDP and the Government of signed on shall be applicable.

Article 10

This Agreement shall enter into force on the date when it has been signed on behalf of the Government and of FAO.

Article 11

11.1 This Agreement may be amended by written agreement between the Government and FAO, each of which shall give full and sympathetic consideration to any proposal for its amendment.

11.2 This Agreement may be terminated by either party by written notice to the other. The said termination shall take effect sixty days after receipt of such notice.

11.3 The obligations assumed by the Government and FAO under this Agreement shall survive the termination of the Agreement to the extent necessary to permit the orderly withdrawal of personnel, funds and property of FAO and the settlement of accounts between the parties.

For the Government of
.....

For the Food and Agriculture
Organization of the United Nations

Signed:

Signed:

Date:

Date:

OFFICE MEMORANDUM

FAO
file 7.1

TO: Mr. S. Eccles, Assistant Director, WAP

DATE: June 16, 1983

FROM: Claude Bourgin, Chief, APMU

MK # 75437

SUBJECT: Visit to F.A.O, Rome: F.A.O. Assistance to Bank Projects - Back-to-Office Report

- 6-1
Inter
Version
1. On May 12 and 13, 1983, we had a series of meetings with F.A.O. officials in Rome: (i) to explore the possibility of using F.A.O.'s services and Unilateral Trust Fund (U.T.F.) for Technical Assistance (mainly staffing) to our agriculture projects in East and West Africa; (ii) to discuss the possible absorption of APMU/ADS staff presently in post on our projects and of candidates we may recommend. This memorandum deals only with our meetings in Rome. In more general terms, Central Projects Note 9.02 provides guidance on "Employment by Borrowers of U.N. Agency Staff", which in the Annex proposes a Model Agreement between the Government and the Borrower in the case of Bank-financed projects (see attachment). This general matter has also been discussed in the Bank during a seminar held on February 7 - 8; the synopsis is attached for your convenience.
 2. While in Rome, we met with: (i) Mr. C. Beringer, Director Field Programme Development Division, (ii) Mr. Bonte Friedheim, Director Agricultural Operation Division, (iii) Mr. H.T. Ahdab, Chief Africa Desk Forestry Department, (iv) Mr. Muthoo, Director Forestry Department, (v) Mr. Ranga Iyengar, Director Fisheries Department, Mr. I. Mann, Senior Projects Officer (Fisheries), (vi) Mr. McLean, Chief Accounts Branch (FAO Trust Fund), (vii) Mr. H. Roche, Legal Counsel, and (viii) Mr. F. Javier Perez de Vega, Liaison Officer Unilateral Trust Fund (U.T.F.), who accompanied us to all our meetings. All meetings were held in a very cordial atmosphere; they were well prepared, but generally too short to explore all the details of the desired cooperation between F.A.O. and the Bank.
 3. The General Directors and staff of the Field Programme Division and the three operating units (Agriculture, Forestry, Fisheries) showed a keen and positive interest in increasing their contribution to our projects, and for that purpose they all wished to finalize the necessary arrangements mutually acceptable to the Bank and F.A.O. F.A.O. would be able to recruit the key personnel needed for our projects by using their roster, advertizing, and investigating any other sources of recruitment, either public or private. The operating units would give full consideration to the use of APMU/ADS staff, who may become available for immediate assignment or for inclusion in their roster. Of those field officers presently in post on our projects, a great proportion has successfully demonstrated to possess valuable professional qualifications and human qualities, and they have acquired precious experience in managing agricultural development projects or in playing an important role in various other functions on these projects. It is clearly in the interests of the countries concerned to retain the services of such officers; government requests are frequently received to maintain these people in post, and cooperation with F.A.O. will allow them to do so. Because F.A.O. is apparently short of qualified Project Managers (or people at an equivalent level), Financial Controllers, Chief Accountants, Economists, and Monitoring and Evaluation Officers, they expressed a strong interest in the possible recruitment of such staff in the future and in building up and improving their

roster. F.A.O. would also be pleased to consider candidates recommended by the Bank.

4. Most of the 1250 experts employed in the field by F.A.O. have the status of F.A.O. staff members and carry the U.N. Laissez-Passer. They are subject to F.A.O. regulations and conditions of employment. In line with F.A.O.'s objectives and philosophy, its staff members are generally assigned to advisory positions and are working with local counterparts. F.A.O.'s regulations, however, may sometimes prevent their staff from playing a direct role in the management of local activities. For example, an F.A.O. accountant has no right to sign a check. On our projects, expatriate staff are very often assigned to in line positions and are expected to make decisions and to take initiatives. It would, therefore, be most important to have an in-depth discussion on the role of F.A.O. officers to be posted on our projects and to examine if F.A.O. staff regulations are not in conflict with our requirements; it is clearly expected that an appropriate solution will be found.

5. Few people recruited by F.A.O. have the status of "Operations Assistants" (OPAS); they are not F.A.O. members and are fully responsible to the Government. Their contract, however, is with F.A.O., which makes their status ambiguous. This system is not recommended by F.A.O.; it is not at all as clear as the APMU system of direct contract, and, therefore, I too would be reluctant to recommend its use.

6. F.A.O. could be very useful in assisting countries in the staffing of our projects, and, with our cooperation, Bank criteria for Technical Assistance can be applied. F.A.O. does not wish to be considered as a recruitment agency only, but rather as the equivalent of a consulting firm capable of backstopping staff in the field. However, since at this stage the available skills in F.A.O. are more on the technical side than on the managerial side, we agreed during our meetings that the exact role of F.A.O. in its support to field staff would be discussed thoroughly, keeping in mind that: (i) the Borrower is responsible for the execution of the project, and (ii) the Bank is responsible for project supervision. To make matters clear, the Bank and F.A.O. should enter into an agreement, which, even though it is informal, will be either in the form of an exchange of letters or a memorandum of understanding. Such an agreement should specify, inter alia, that the Bank will be solely responsible for all matters dealing with the technical supervision of the projects, and that, therefore, all correspondence to the government regarding these matters should originate from the Bank. The mechanism of exchange of information between the Bank and F.A.O. should be spelled out at the same time. Although not discussed in the course of our meetings, it is interesting to note that F.A.O. is also equipped to (i) administer fellowships, and (ii) act as procurement agent.^{1/} (I assume to procure equipment and supplies needed by the T.A. officers to carry out their functions properly).

7. To assist a Government, F.A.O. should first receive an official request. In principle F.A.O. does not like to compete with consulting firms. However, if the request they receive does not mention competition with other sources of 1/ The F.A.O.'s fee for procurement is 5%.

technical assistance, F.A.O. would be ready to send their proposals to the government concerned. In the case of Bank/IDA projects, it would be up to the Bank to discuss with the government the suitability of F.A.O. intervention, among other possible sources of services, and not to impose F.A.O. on the governments in any way, as well as to inform F.A.O. informally of the outcome of this discussion. If the government decides to approach F.A.O., it would be appropriate to provide F.A.O. with the necessary information on the project and their possible role. In other words, it is assumed that, before a Government requests F.A.O. assistance, an informal agreement will have been reached between the parties concerned, preferably before the negotiations. If F.A.O.'s proposals are acceptable to the government, it will enter into an agreement with the government which receives the Loan or the Credit. As far as F.A.O. is concerned, this agreement is called the project.

8. From a legal point of view it is the full responsibility of F.A.O. to discuss and prepare the agreement with the Government. However, it has been agreed that all arrangements will be subject to approval by the Bank, including clearance of shortlists of candidates and their TORs. Collaboration with F.A.O. could also take place under other arrangements, such as cost sharing with UNDP or UNDP projects for which the Bank is the executing agent. Those types of arrangements have not been discussed during our short mission.

9. To allow F.A.O. to meet its financial obligations, it should receive from the Government the funds needed to cover the cost of the project. These funds should be deposited into the F.A.O./U.N. General Dollar Account for the Credit of Trust Fund Account. Therefore, the Government should submit a Withdrawal Application (Procedure III) to the Bank in the same amount as contained in the agreement, which should include the servicing cost, at present 13% ^{1/} of expenditures incurred by F.A.O., plus contingencies, expressed in dollars in most cases. The Bank will then arrange for transfers at regular intervals of three to six months (to be negotiated). If we wait for the project to become effective this should not cause any problems. In that case the Bank will transfer the funds to F.A.O. and withdraw the same amount from the Loan or Credit, provided that the Category for T.A. is 100% reimbursable.

10. In most cases it is in the interest of the project to have at least the Project Manager, or the Deputy Project Manager, as well as the Chief Accountant in post as early as possible, generally before effectiveness, and sometimes before the signing. Therefore, it should be up to the Bank to obtain the necessary guarantee from the government concerned, through a PPF, to be able to transfer the necessary funds to F.A.O. in a timely manner. Details should be discussed later on a case by case basis. Other issues requiring further study are: (i) use of interest. Funds deposited with F.A.O. accumulate interest. As the funds belong to the Borrowers, it would seem logical to remit the interest money to the Borrower or to deduct it from the F.A.O. fee of 13%; (ii) cost overruns and ways to recover them; and (iii) effect of loan suspension or cancellation on the F.A.O. agreement, and termination of contracts.

^{1/} The 13% charge covers administrative expenses and backstopping in the field. The cost of recruitment (interviewing, travel, reference checking, etc.) is supported by the F.A.O. budget, and will, therefore, not be charged to the country concerned.

No "General" FAO - Bank agreement. work on projects

Conclusion

11. It should be possible for F.A.O. to assist our Borrowers in the execution of our projects and to provide, in cooperation with the Bank, the necessary staff and support to our projects. It has been agreed that, at this stage, there is no need to look into every detail of future agreements. These details and possible solutions to existing problems should be worked out as soon as a concrete case arises. We may at first consider F.A.O. assistance for: (i) projects of a technical nature, such as research projects; (ii) projects such as the Forestry II project in Ivory Coast, where we already have qualified and experienced officers, whom we would like to keep in post, and whose contract administration could be taken over by F.A.O.; and finally (iii) projects in countries where, for political reasons, it would be safer or more convenient to have staff serving on our projects under the U.N. umbrella.

12. Messrs. Beringer and Perez de Vega are planning to visit the Bank on June 27 and 28. Before their visit, it would be desirable to identify one or two projects to which their contribution would be appropriate, to discuss my memo with the agriculture division chiefs, and to receive comments from all interested parties. We agreed to meet with Messrs. Beringer and Perez de Vega on June 27 at 10:00 a.m. in D-958 to discuss further F.A.O. contribution to our projects. In accordance with your instructions, I will proceed with invitations to this meeting.

CBourgin:aws

cc: Messrs. Bouhaouala, WAP	(with attachments)
Blanchi, WAPA3	"
Steeds, WAPA3	"
Nkodo, WAPA2	"
Thoolen, WAPA4	"
Walton, WAPA1	"
Yucer, WAP	"
Makharita, WAP	"
Naab, WAPMU	"
Ms. Risen, WAPMU	"
cc: Messrs. Gibbs, WAL	(without attachments)
Hinkle, WAL	"
Skillings, WAL	"
Humphrey, WAL	"
Eigen, WA2	"
Zmirou, WA2	"
Palein, WA2	"
Veraart, AGR	"
Lethem, PAS	"
Riley, IRD	"
Southall, LEG	"
Mayer, IOA	"
Raphaeli, PAS	"
Dickerson, PAS	"
Spier, PAS	"

THE WORLD BANK

ROUTING SLIP		DATE: May 9, 1983	
NAME		ROOM NO.	
Mr. Husain		E-1023	
APPROPRIATE DISPOSITION		NOTE AND RETURN	
APPROVAL		NOTE AND SEND ON	
CLEARANCE		PER OUR CONVERSATION	
COMMENT		PER YOUR REQUEST	
FOR ACTION		PREPARE REPLY	
INFORMATION		RECOMMENDATION	
INITIAL		SIGNATURE	
NOTE AND FILE		URGENT	
REMARKS: You probably already have received a copy of this directly from Mr. Fernando. I would appreciate knowing the results of the discussion on "Implementation by FAO of Technical Assistance Components of WB Projects.			
FROM:		ROOM NO.:	EXTENSION:
V. J. Riley		E-808	74455



FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS
ORGANISATION DES NATIONS UNIES POUR L'ALIMENTATION ET L'AGRICULTURE
ORGANIZACION DE LAS NACIONES UNIDAS PARA LA AGRICULTURA Y LA ALIMENTACION
منظمة الأغذية والزراعة للأمم المتحدة

Via delle Terme di Caracalla. 00100 - ROME

Cables: FOODAGRI ROME

Telex: 610181 FAO I

Telephone: 57971

Ref. UN 12/1
BK 101/2

28 APR 1983

Dear Mr. Benjenk,

... I attach for your information a résumé of the conversation between Mr. Clausen and the Director-General when they met in Rome on 20 April.

I am making copies of this available to Mr. Husain and Mr. Yudelman who are visiting Rome tomorrow, particularly because Mr. Clausen wished the topic concerning the implementation by FAO of the technical assistance component of World Bank-funded projects to be raised with Mr. Husain during his visit here.

I will also raise with Mr. Husain the follow-up action regarding the Director-General's proposal for a two-year budgeting cycle for the FAO/World Bank Cooperative Programme.

With kind regards,

Yours sincerely,

Cedric Fernando

Cedric Fernando
Director
Investment Centre

Mr. Munir P. Benjenk
Vice-President
External Relations Staff
World Bank
1818 H Street NW
Washington D.C. 20433
U.S.A.

Mrs. Benini / AS
② ①

FEB 20 2025

Résumé of Conversation on 20 April 1983 between **WBG ARCHIVES**

Mr. A.W. Clausen, President, World Bank

and

Mr. E. Saouma, Director-General, FAO

Present: World Bank: Mr. A.W. Clausen, President
Mr. M. Benjenk, Vice-President,
External Relations

FAO: Mr. E. Saouma, Director-General
Mr. E.M. West, Deputy Director-General
Mr. R. Lignon, Assistant Director-General,
Development Department
Mr. C. Fernando, Director,
Investment Centre

The discussion focussed on four main topics:

The Food and Agriculture Situation. It was noted that many Asian countries had been successful in expanding their food and agricultural production in the past few years. Nevertheless, in many of them the food situation remained fragile and could easily be reversed by factors such as bad weather or a poor monsoon. The emphasis on food production had therefore to be maintained, especially since many of them had in addition been affected by the current economic recession through the fall in export prices, unfavourable terms of trade and protectionism. In this connection, Mr. Clausen mentioned the increase in the Bank's non project-specific lending, particularly through Structural Adjustment Loans and the recently established two-year Special Action Programme. In Africa, the situation was perilous and 24 countries were, as far as food production was concerned, virtually in a state of emergency. Africa was recognized by both institutions as having priority and this inevitably implied increased investment in food production. The rapid and adequate replenishment of IDA was essential if development of the poorest and neediest countries were to be sustained.

The FAO/World Bank Cooperative Programme. The contribution of the FAO/World Bank Cooperative Programme to the lending programme of the Bank was recognized. Two problems were underlined by Mr. Saouma. First, the level of World Bank support to the Cooperative Programme was made on an annual (fiscal year) basis and this made it difficult for FAO to estimate accurately the matching provision to be made in the FAO Programme of Work and Budget which was on a two-year basis. This could be overcome if the World Bank could indicate its level of support for two years - firmly for the first year and a provisional level for the second. Mr. Clausen, in taking note of this request, thought that this should be possible, especially since the project work of the Cooperative Programme was of a continuing nature. The second problem related to the possibility of making

provision for the Cooperative Programme as a single special line item in the administrative budget of the Bank rather than, as at present, an item in the budgets of each of the six Regions. The present system adversely affected the demand by the Regions for Cooperative Programme services. It was thought that this matter could be addressed after the on-going World Bank review on project preparation methods for the 1980s had made its recommendations.

Implementation by FAO of the Technical Assistance Component of World Bank Projects. The Director-General drew attention to the potential role and contribution of FAO in implementing the technical assistance component of World Bank-funded investment projects. FAO had considerable experience in providing technical assistance and, in some fields e.g. training and fellowships, such experience could not be matched by consulting firms. While recognizing that recipient governments were sovereign and had the responsibility for selection, the Director-General suggested that Bank operations staff could, in appropriate cases, indicate to governments that FAO could also be considered as a possible source of technical assistance. Mr. Clausen pointed out that this was a matter which concerned the operations of all the Bank's Regions and it would therefore be appropriate to discuss this with Mr. S. Husain, Vice-President, Operations Policy Staff, who was to visit FAO the following week.

CGIAR. The chairmanship of the CGIAR would be falling vacant later this year and no procedure had been established for selection of a replacement. It was agreed that one of the three sponsoring institutions should provide the chairman and, since the World Bank funded the CGIAR Secretariat, it would be appropriate for the World Bank to make a nomination for the post. Mr. Clausen proposed Mr. Husain as Chairman, and the Director-General agreed. Mr. Clausen indicated that World Bank support to the CGIAR would be increased from the present 10% of the CGIAR budget to around 15% in the medium term, and perhaps as high as 20% in the longer term.

The discussion between Mr. Clausen and Mr. Saouma, which lasted about one hour, was conducted throughout in a most cordial atmosphere and constructive spirit.

March 3, 1983

Dear Mr. Bonte-Friedheim:

On your recent visit to the Bank you raised a number of questions related to the monitoring of Bank operations.

Attached is a report describing a computerized system that is currently implemented under FOCUS on an IBM 3031. This system is mainly oriented to producing senior management information on Bank operations.

In addition to this, efforts are currently being undertaken to complement this with a system for supporting divisional management information needs. Attached is a manual describing the prototype design of DIVINFO.

Sincerely yours,

Vincent J. Riley
Adviser, UNDP/UN Operational Activities
International Relations Department

Mr. C. H. Bonte-Friedheim
Director
Agricultural Operations Division
Food and Agriculture Organization
Via delle Terme di Caracalla
00100 Rome, Italy

GDeboeck/VJRiley/eb

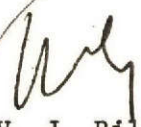
WORLD BANK / INTERNATIONAL FINANCE CORPORATION

February 8, 1983

TO: Mr. Francis Lethem

While he was in the Bank earlier today, Chris Bonte-Friedheim, Director of FAO's Agricultural Operations Division, gave me the attached and asked if someone in the Bank could provide him, as informally as possible, with the answers to the questions. Do you know the answers? If not, who does?

To:


V. J. Riley
74455

called 01/24.

1. Do you have a computerized system to process and/or monitor field operations?
2. If so, do you have a system description and could we have such?
3. Does your system handle budgetary and financial data?
4. What computer is your system running on
5. What computer language(s) was used to write the system?
6. What utilities/packages were used to develop the system?
7. Is your system on-line?
8. Is your system real time (that is, is your system updated immediately or at intervals and, if at intervals, how frequently?).
9. Does your system interface with other systems, and, if so, which?
10. Who are the users of your system and how many terminals can access the system?
11. Does your system generate automatic transactions, e.g. adjustments because of exchange rate changes, purchase orders, payments, etc.?

Bronto Friedheim

4.2.83 mrf

THE WORLD BANK

ROUTING SLIP		DATE: January 12, 1982	
NAME		ROOM NO.	
Mr. Rajagopalan		E-1028	
Mr. Lethem		D-1048	
Mr. Southall		N-727	
Yandelman			
APPROPRIATE DISPOSITION		NOTE AND RETURN	
APPROVAL		NOTE AND SEND ON	
PEARANCE		PER OUR CONVERSATION	
MMMENT		PER YOUR REQUEST	
FOR ACTION		PREPARE REPLY	
INFORMATION		RECOMMENDATION	
INITIAL		SIGNATURE	
NOTE AND FILE		URGENT	
REMARKS:			
FROM: L. Riley		ROOM NO.: E-812	EXTENSION: 74455



FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS
ORGANISATION DES NATIONS UNIES POUR L'ALIMENTATION ET L'AGRICULTURE
ORGANIZACION DE LAS NACIONES UNIDAS PARA LA AGRICULTURA Y LA ALIMENTACION

منظمة الأغذية والزراعة للأمم المتحدة

Via delle Terme di Caracalla, 00100 - ROME

Cables: FOODAGRI ROME

Telex: 610181 FAO I

Telephone: 57971

Ref. TA 1/3
UN 10/1

23 DEC 1982

Dear Mr. Riley,

Links between Technical Cooperation & Investment Activities

Role of UN agencies in the implementation of technical
assistance components in World Bank loans

During the CCSQ (Ops) meeting in New York, you requested comments on the document prepared for that meeting to assist in the World Bank seminar to be held in February. We have also received from Mr. Beringer, who attended the IACM meeting, the draft agenda of the World Bank seminar on "UN Agency Contracts with World Bank Borrowers". Rather than submit lengthy comments at this stage, we feel it would be more useful to highlight some of the main issues, as seen by FAO, which are central to the subject and which, in our view, should be discussed at the seminar.

The basic document relating to this subject is the World Bank "Guidelines for the Use of Consultants by World Bank Borrowers and by the World Bank as Executing Agency". This appears to have been written primarily for private consultant firms, and UN agencies are mentioned only in passing. We believe that there should emerge from the seminar either a separate document dealing only with UN agencies, or a section specially devoted to UN agencies in the present guidelines. This would allow clarification of the special position and role of UN agencies as international non-profit making organizations, and the different procedures involved in their undertaking Bank-financed technical assistance. Borrowing countries would then be more aware of the possibilities of using UN agencies for this purpose. The guidelines would also be useful to Bank staff.

We believe that it would be particularly useful if the seminar could consider whether there are any special conditions or situations where it could be to the advantage of a borrowing country to make use

Mr. Vincent J. Riley
Adviser (UNDP)
International Relations Department
World Bank
1818 H Street NW
Washington DC 20433
U.S.A.

of an appropriate UN agency to carry out Bank-financed technical assistance: for example, when the investment project itself and, by extension, the associated technical assistance is closely related to, and draws upon the pre-investment work, executed by a UN agency perhaps through a UNDP project. In fact paragraphs 2.19 and 2.20 of the present guidelines make specific reference to the advantages of continuity in such situations. We would therefore suggest that after "A. An Overview" and before "B. Project Implementation Assistance", an item be introduced which might be called "Some Appropriate Criteria for Consideration by Borrowing Countries and the Bank for using UN Agencies for Implementation of Technical Assistance". Under this item, it would also be useful to discuss the possible role of Bank missions at various stages of the project cycle in identifying technical assistance components suitable for execution by UN agencies.

The present agenda effectively covers most of the information needed by UN agencies to undertake a larger share of Bank-financed technical assistance. At the same time we feel that the seminar could provide an invaluable opportunity for an exchange of views between UN agencies and the Bank on comparative policies and procedures involved in this work. This could indicate where flexibility might be required.

At present, "B. Project Implementation Assistance" has two sections: "Borrower's Responsibilities to Contracting Services" and "Bank Responsibilities". We feel it would be important to add a third section "UN Agency's Responsibilities". Sub-items under this heading could include:

- "Recruitment of Personnel and Responsibility towards Agency, Government and Bank";
- "Reporting Procedures";
- "Other Inputs to be made by Agencies in Relation to their Execution of TA Components" such as periodic support missions, follow-up task forces, etc.

While on the subject of the agenda, we wonder whether it would not be better to discuss "Legal Matters" before "Financing and Disbursement". We assume that Item III B "Model Agency TA Agreement" would also include discussion of project documents and plans of operation.

The paper prepared for the CCSQ (Ops) meeting suggests that there are a number of problems (para. 18) frequently encountered when Bank-financed technical assistance is undertaken by UN agencies. It is worth mentioning here that most of these problems are not valid as far as FAO is concerned. For example:

- While FAO cannot enter into competitive bidding in the strict sense, it can and does submit proposals to governments which they are perfectly entitled to evaluate against those of private firms. What needs to be defined more clearly are the instruments through which UN agencies make offers and conclude arrangements. FAO is well advanced in introducing new procedures and texts of agreements for UTF projects which have been mainly developed in collaboration with Bank staff.

- FAO prepares proposals and often finances formulation missions without any assurance that the project will be executed by it. Equally, FAO can and frequently does designate staff as part of its proposal. What it cannot do is to recruit the staff without having received the funds for this purpose.
- As far as contract terms are concerned, FAO welcomes specific terms of reference and has no difficulty in accepting payment schedules which do not cover the entire duration of the project.

That the obstacles to UN agencies undertaking more Bank-financed technical assistance are far from insurmountable is borne out by the above, and by the fact that FAO is already implementing a number of such projects or their components, and is in the process of negotiating others (a list, as promised, is attached).

In conclusion, I hope that our comments will be found useful. We look forward to participating in the seminar which we are sure will lead to increased cooperation of UN agencies in this important field of work.

With kind regards

Yours sincerely,



Cedric Fernando
Director
Investment Centre

WORLD BANK FINANCED TECHNICAL ASSISTANCE PROJECTS BEING IMPLEMENTED BY FAO

FAO Project Number	Project Title	Total Cost (\$'000)	WB/IDA Loan/Credit Number
UTF/BEN/043/BEN	Training of Rural Youth	621	IDA 583-0
UTF/URT/061/URT	Strengthening of Project Preparation & Monitoring	3,192	IDA 1015-0
UTF/URT/057/URT	Strengthening of Marketing Service (Phases II-IV)	3,008	IDA 1015-0
UTF/LIR/008/LIR	Forestry Development	633	IDA 839-0
UTF/IND/133/IND	Horticulture in Himachal Pradesh	97	IDA 456-0
UTF/IND/148/IND	Dairy Development (Operation Flood)	2,649	IDA 824-0
UTF/INS/055/INS	Second Ag. Training Project	1,094	WB 1692-5
UTFN/PDY/004/PDY	TA to Wadi Hadramaut Project	1,348	IDA 615-0
UTFN/PDY/005/PDY	TA to Wadi Tuban Projects	1,405	IDA 768-0
UTFN/PDY/006/PDY	TA to Wadi Beihan Project	1,795	IDA
UTFN/SUD/026/SUD	TA to Livestock & Meat Marketing Corp.	421	IDA 782-0
UTFN/SUD/030/SUD	Training of Rural Development Workers	750	IDA
UTF/POR/001/POR	Forestry Development	1,150	WB 1853-0

PROJECTS BEING NEGOTIATED

Country	FAO Project Number	Project Title	Estimated Cost (US\$'000)
BAHAMAS	UTF/BHA/001/BHA	Masterfishermen/Instructor	51.5
ETHIOPIA	G-1292	Second Agricultural Development Project	1,800.0
MEXICO	UTF/MEX/021/MEX (follow-up)	Assistance to Proderith	600.0
TANZANIA	UTF/URT/064/URT	Third Technical Assistance Project	11,885.8
TANZANIA	G-0828 (follow-up to GCPS/URT/049/MUL)	Assistance to the National Milling Corporation	6,011.0

ROUTING SLIP		DATE:	
NAME		ROOM NO.	
Mr. Riley, IRD			
APPROPRIATE DISPOSITION		NOTE AND RETURN	
APPROVAL		NOTE AND SEND ON	
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COMMENT		PER YOUR REQUEST	
FOR ACTION		PREPARE REPLY	
✓ INFORMATION		RECOMMENDATION	
INITIAL		SIGNATURE	
NOTE AND FILE		URGENT	
REMARKS:			
file 100 #7.1			
FROM:		ROOM NO.:	EXTENSION:
P. D. Richards			

OFFICE MEMORANDUM

TO: Mr. E. Stern, Senior Vice President, SVPOP
Thru: Messrs. Baum, Vice President, OPSVP; Gabriel, Vice President, PBPVP
FROM: Messrs. Vergin, Director, PAB, Yudelman, Director, AGR

DATE: October 12, 1982

SUBJECT: FAO/CP - Future

1. The Director-General of FAO wrote to Mr. Clausen, on August 19, 1982, about his concerns that current Bank budgeting procedures tended to adversely effect the future of the FAO/CP.
2. Mr. Clausen replied that the Bank had similar concerns, albeit less pronounced, and was reviewing the present budgeting procedures for use of FAO/CP staff.
3. The Directors of AGR and PAB established an informal Working Group to undertake a preliminary review of this issue. The Group made the following recommendations regarding future use of FAO/CP staff (full text attached):

"Recommendations

It is clear that substantial benefits could accrue to the Bank and FAO by carefully focussing the FAO/CP input based on certain borrowers needs. The Group recommends that Management consider the possibility of defining FAO/CP input as Technical Assistance in the formulation and preparation of high priority agricultural and rural development projects. Further, a mechanism should be devised to allow multi-year planning for the FAO/CP. Criteria for allocation of FAO/CP TA should be worked out and subsequent regional distribution determined between WB and FAO in a mode to be agreed. The informal Working Group recommends the following steps:

- i) Establishment of allocation (eligibility) criteria for Technical Assistance by a working group with suggested membership from PAB-Country Program Review Division, Regional Agricultural Projects Department(s) and OPS/AGR.
- ii) By mid Novemer 1982, after discussions with FAO and after obtaining necessary clearances, submit proposed eligibility criteria and FY'84 levels of CP/TA to appropriate management levels.
- iii) After review and acceptance (as in ii above) make necessary arrangements, in consultation with FAO, to render the new process operational in time for FY'84 application."

4. The approach proposed by the informal Working Group has recently been discussed in Washington with Mr. Fernando, the Director of the FAO Investment Center, who supports the proposal in principle. Upon his return to Rome Mr. Fernando informed his management, including the Director-General, of his discussions and was advised to continue the dialogue with the Bank in an affirmative manner.

5. We now request your agreement to proceed with the establishment of a more formal Working Group to implement the recommendations outlined in Para. 3-1 above.

Attachment

MVeraart/MYudelman/mh

Messrs. Vergin, Director, PAB
and Yudelman, Director, AGR
Marius Veraart, FAO/IFAD Coordinator

September 23, 1982

FAO/CP

Introduction

1. The experience of recent years has shown that current budgeting procedures for WB/FAO CP are not conducive to fulfilling the Program's basic objective of providing technical assistance to Governments of common membership in the field of identification and preparation of projects for subsequent WB financing. Regional users have for various reasons, all of which are well known to you, reached a position which is not leading to optimal utilization of FAO/CP capacity. Furthermore, a recent internal review on agricultural project co-efficients concluded that projects with FAO/CP input showed significantly higher co-efficients than other agricultural projects. It suggested that an alternative way to program and account for FAO/CP input needs to be developed. Subsequently, an inter-regional working group 1/ was formed to discuss this and associated issues. The preliminary thinking of the group is along the following lines:

2. The agricultural project co-efficients include FAO/CP. Consequently, the current practice treats FAO/CP input on par with Bank staff and consultant input. It is generally agreed that FAO/CP time can be considered equal in quality to Bank staff. The reason for the higher co-efficients is that the FAO/CP provides assistance in the project identification/preparation phase which in the case of many non FAO/CP projects is not charged to the Bank co-efficients by having been either provided by the borrowers or financed thru technical assistance loans/credits, etc. This results in projects with FAO/CP inputs registering higher costs. In view of this it seems important to explore the possibility of treating the FAO/CP as being outside the normal Bank sources requiring their exclusion from Bank co-efficients.

Issues

3. Several issues emerge from this:

- (a) When FAO input is no longer treated as a fungible source with other Bank sources it does not lend itself to being self regulated by the supply/demand balance attempted in each budget year. Consequently, at certain intervals a policy decision would be required to set the appropriate level of total FAO/CP input. Criteria and procedures for allocating such a given level between the Regional Offices would need to be worked out.

1/Group membership: AEN: Ruddy; ASN: Thornley; LCN: Haasjes (Wallis); WAN: Berg; AGR: Veraart; PAB: Sookar, Tadvalkar

- (b) There are two options of treating the FAO input - either as part of the lending work program (as currently) or as Technical Assistance in Project preparation. The choice of the option would determine the allocation mechanism. If defined as part of lending it could be allocated based on a unit ratio per agriculture project. If defined as TA it could be targeted to countries/sub-sectors.
- (c) The exclusion of FAO/CP input would reduce the co-efficients traditionally used in budgeting resulting in lower budget allocation. As long as the FAO/CP input were maintained at historical levels and were allocated on top of the lower allocation there would be no loss in budgets allocated for the Operations Staff as a whole. However, Regional allocations could vary if the allocation criteria were to generate a different utilization than observed historically.
- (d) The current annual supply/demand exercise results in requirements for rapid changes in the FAO/CP structure e.g. last two years have seen reductions in the program on reasonably short notice. An a priori decision on the right level of FAO/CP, especially if in a multi-year frame, may allow FAO/CP to plan more efficiently for a longer term decline/increase as the case may be. Preliminary discussions with FAO/CP indicate their full support for such an approach.

Recommendations

4. It is clear that substantial benefits could accrue to the Bank and FAO by carefully focussing the FAO/CP input based on certain borrowers needs. The group recommends that Management consider the possibility of defining FAO/CP input as Technical Assistance. Further, a mechanism should be devised to allow multi-year planning for the FAO/CP. Criteria for allocation of FAO/CP TA should be worked out and subsequent regional distribution determined between WB and FAO in a mode to be agreed. The informal working group recommends the following steps:

- 1) Establishment of allocation (eligibility) criteria for FAO/CP Technical Assistance by a working group with suggested membership from PAB-Country Program Review Division, Regional Agricultural Projects Department(s) and OPS/AGR.

- ii) By mid November 1982, after discussions with FAO and after obtaining necessary clearances, submit proposed eligibility criteria and FY'84 levels of CP/TA to appropriate management levels.
- iii) After review and acceptance (as in ii above) make necessary arrangements, in consultation with FAO, to render the new process operational in time for FY'84 application.

RTadvalkar/MVeraart/mlh

Cleared with and cc: Messrs. Berg, Ruddy, Sookar, Thornley and Wallis(Haasjes)

VSR

July 28, 1982

Mr. Cedric Fernando
Director
Investment Centre
Food and Agriculture Organization
of the United Nations
Via Delle Terme di Caracalla, 00100
Rome, Italy

Dear Mr. Fernando:

Subject: UNDP/FAO Projects with Investment Potential
Development of Fisheries in Areas of the
Red Sea and the Gulf of Aden

Further to Mr. Abdallah El Maaroufi's letter of June 18 concerning the above project, and the above report which explores the possibility of a fisheries project in Sudan, we regret to inform you that the Bank is not considering any contribution to investment follow-up at the present time.

We do, however, appreciate your giving us the opportunity to review the documentation and keeping us informed of UNDP/FAO activities in this area.

With best regards,

Yours sincerely,

Bob Li
Acting Chief
Technical Assistance & Special Studies Division
Europe, Middle East & North Africa Projects Department

CL/with & cc: Messrs. Harris/Walton (o/r), Burmester, Nooter

cc: Messrs. Jordan, Veraart, El Maaroufi (o/r), Kinawy (o/r)
Socknat (o/r)
Mesdames. ~~Boskey~~, Doany

A:rr

OFFICIAL FILE COPY

ROUTING SLIP		DATE: July 28, 1982	
NAME		ROOM NO.	
Mr. Riley		E812	
	APPROPRIATE DISPOSITION		NOTE AND RETURN
	APPROVAL		NOTE AND SEND ON
	CLEARANCE		PER OUR CONVERSATION
	COMMENT	☒	PER YOUR REQUEST
	FOR ACTION		PREPARE REPLY
	INFORMATION		RECOMMENDATION
	INITIAL		SIGNATURE
	NOTE AND FILE		URGENT
REMARKS:			
FROM: M. Veraart		ROOM NO.: N1132	EXTENSION: 61749

ORGANISATION DES NATIONS UNIES POUR
L'ALIMENTATION ET L'AGRICULTURE



ORGANIZACION DE LAS NACIONES UNIDAS
PARA LA AGRICULTURA Y LA ALIMENTACION

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100 - ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref. DP 9/1 RAB/77/008

Letter No 00124

AUG. - 7 1980

Egypt

Dear Marius,

UNDP/FAO Projects with Investment Potential

I am pleased to send you five copies of the report of an Investment Centre mission which visited the UNDP/FAO Project "Development of Fisheries in Areas of Red Sea and Aden Gulf", RAB/77/008.

Would you be so kind as to forward one copy of this report to Ms. Shirley Boskey, Director, International Relations Department.

With kindest regards.

Yours sincerely,

[Signature]
for Cedric Fernando
Director
Investment Centre

Mr. Marius Veraart
Planning Officer/FAO Coordinator
Agriculture and Rural Development
Department CPS
World Bank
1818 H Street, N.W.
Washington, D.C. 20433
U.S.A.

cc: Ms. Shirley Boskey
Director, International Relations
Department

Rec'd 8/18/80

cc: Messrs.

*Waglar (1)
Merghab (1)
Shirley Boskey (1)*



OFFICE MEMORANDUM

TO: Mr. Cedric Fernando
Director, DDCD

Through: Mr. I. Abu Sharr
Chief, Service I, DDCB

FROM: M.H. Gunawardena, DDC *M.H. Gunawardena*

SUBJECT: Assistance to FAO/UNDP Project RAB/77/008 (Development of Fisheries in Areas of Red Sea and Aden Gulf)
Back-to-Office and Full Report

DATE: 9 July, 1980

Introduction

1. In accordance with Terms of Reference dated May 20, on my return from PDRY, I travelled to Cairo and visited the project headquarters in Suez from 27th to 30th June to review the present status and the proposed programme of work, and examine the investment potential arising out of the work now being undertaken in several countries. Discussions were held with the Project Manager and the senior biologist. The project economist and the socio-economist were out of the country. I visited the Gulf of Suez fishery port, and briefed the FAO representative in Cairo on the discussions and the agreements reached with the Project Manager, on additional work to be undertaken, before an IC identification mission can be mounted.

Background

2. The twelfth FAO regional conference for the Near East in 1974 decided to establish a sub-regional fisheries project to enable exploitation of Red Sea fisheries. Subsequently, a project was formulated based on the work of a fishery mission which visited the countries bordering the Red Sea and the Gulf of Aden in late 1975. The project covers the Red Sea through to the straits of Bab-el-Mandeb and to the Gulf of Aden. The duration of the project, which started in May 1978, is 33 months. The participating countries are Egypt, Jordan, People's Democratic Republic of Yemen, Saudi Arabia, Sudan and the Yemen Arab Republic (Saudi Arabia joined the project in late 1979).

DP 9/1 RAB/77/008
MHG/IAS/amn

cc: de Brichambaut
Eid
Abu Sharr
Heymans
Granieri
Guckian/Lizarraga
Gunawardena (chrono)
DDC Reg. (2)

Mr. K. Kapur
Chief, UNDP (4)

All Team Members
Abu Dhabi Fund
African Development Bank
Arab Fund for Economic and Social Develop.
IFAD
Kuwait Fund
World Bank

Project Objectives

3. The project aims at developing coastal small-scale marine fisheries of participating countries and at increasing fish production (for domestic use and where possible for export) through reactivation and expansion of existing marine fisheries. The project also aims at planning and, where appropriate, designing and initiating development projects.

4. The project provides technical assistance to member countries, training of counterparts, fishermen and others involved in the industry and, through surveys and studies, aims to collect sufficient data to help participating countries prepare development plans and investment programmes for funding from bilateral or multilateral sources, or through joint ventures.

Project Activities

5. Sub-stations have been established at Suez/Hurghada (Egypt); Port Sudan (Sudan); Hodeidah (YAR) and Aden (PDRY).

6. Socio-economic and fishery surveys have been carried out in the six participating countries, and reports based on this work have been drafted. Verification of the data collected is being done to enable preparation of final reports, which are expected to be ready in early 1981. The reports will also include technical recommendations and suggestions for institutional improvements and management policies for successful operation of the fishery industry in the areas surveyed.

7. Stock assessment of demersal and pelagic species is being done through a collection, and study of samples over a period of time for different fishing methods, and also based on past landings. This has been carried out along the Egyptian coast and soon will be extended to the coast of Sudan. This would enable a preliminary stock assessment of some of the important commercial species, and help determine suitable means to manage the fishery in the various areas, and may highlight constraints. A preliminary stock assessment for cuttle fish Sepia pharaonis in the PDRY coast, based on catch data from the commercial fleet has been completed. This work is to be continued towards the end of this year, after Government review of the work so far done. Reports on the areas along the Red Sea would be ready in June/July 1981, after sample surveys for two consecutive fishing seasons have been completed.

8. Fishing gear improvement and fishing methods. Three master fishermen have been recruited and are based in Suez, Port Sudan and Hodeidah (YAR). Training in fishing gear construction, studies on design suitability, net mending and repairs are being carried out at all three areas. The project is presently constructing different types of fishing vessels for demonstration purposes. These vessels are expected to be delivered to the project sites during 1980. The demonstrations are expected to determine the suitability of types of craft for different localities, sea conditions and the type of fishery.

9. A survey of bilateral, multilateral and other international assistance in fishery development is being carried by project staff in the hope that it may help lead to better coordination at the regional level and provide information on the assistance rendered by agencies and by individual countries in the various areas. The report is expected to be finalized by end 1980.

10. Village fishery development. As agreed between the FAO Fisheries Department, the CP and the World Bank, two consulting engineers are presently carrying out field investigations and engineering studies at five selected villages in the western coast of PDRY. These should lead to determining the most suitable facilities required to enable fishermen to increase production, and to assist cooperatives in better handling and marketing of fish. The study will include detailed engineering design, specifications, and cost benefit analysis of proposed investments at each site. Studies are also underway by project staff to help develop an institutional framework for small-scale fisheries, including where appropriate the establishment of cooperatives. A fishing village (Qussari) in the southern Egyptian coast is now the subject of a pilot study.

Statistics

11. No accurate data on the size of fishery, fish landings, etc. are available, in most of the project areas. The project statistician is coordinating his work with that of marine biologist, and is now in the process of collecting as much data as possible. Training of national staff in data collection, data processing, and assisting Governments in updating information has started. The survey carried out in YAR as a result of the recommendations made by FAO/World Bank Cooperative Programme fisheries project preparation mission to YAR in 1979, provided information that was most useful during World Bank appraisal of the project. Training sessions in Suez for local staff, and a regional training course for statisticians from all participating countries (to be held in Aden or Saudi Arabia) are now planned.

Project Progress

12. Initially the project faced several difficulties, as a result of delays in the recruitment of experts in the mobilization of inputs from the Governments, and in the procurement of equipment and boats. Some of the experts assigned to sub-stations resigned after short periods, due to lack of accommodation and other discomforts. Most of these problems have now been resolved. Due to these delays and problems, some of the feasibility studies called for in the Terms of Reference, have only just started. Results of some of the important surveys and investigations, which are essential for preparation of investment projects are now under way and should be completed by early 1981. In order to accomplish the programme of work outlined in the original project document, and to meet its objectives, a three year extension beyond June 1981 is being sought.

Investment Possibilities

13. Two potential areas for the improvement and development of the traditional fisheries sector have so far been identified:

- (i) The southern coast of Egypt from Ras Banas to Hurgharda, covering about 450 km and involving about 1,500 fishermen.
- (ii) The northern coast of Sudan from Port Sudan to Iungunab of about 300 km involving about 500 fishermen.

Development of coastal fisheries in both areas commands Government priority. Preliminary indications suggest the availability of good resources, including commercially exploitable quantities of lobsters, prawns, clams and mullet. Fishing villages are presently accessible only by rough desert tracks. Traders collect fish from these villages, but irregularly. Due to lack of ice, only limited quantities are purchased by traders. Most of the fish are sun dried, and are often of poor quality, resulting in poor returns. The inadequacy of the input supply system, the inaccessibility of the coastal fishermen to local consumption and export markets, and the lack of fisheries infrastructure, extension and regulatory services, have retarded any development in these areas. A development programme would, therefore, aim at rectifying these problems and deficiencies, to promote increased production, and install a better marketing system. A first stage project should provide fishermen a reliable system for the supply of boats, gear and engines and financial assistance in the form of credit to acquire them: marketing facilities at various fishing centres and essential communication and transportation infrastructure to improve quality and delivery capacity of the present marketing system. During a subsequent phase, the project should make use of possible joint venture arrangements to exploit the valuable shellfish resources and develop overseas marketing contracts, which would also enable the respective Governments to acquire expertise to train local personnel in technical and managerial fields.

Follow-up

14. The work to be carried out by the RAB/77/008 project within the present phase (NTE June 1981) includes:

- (i) The completion of the socio-economic and fishery surveys (reports to be ready by December 1980). I agreed with the Project Manager that the survey would include detailed descriptions of existing marketing patterns, fish prices and pricing systems, institutional and credit organization supporting the industry.
- (ii) The completion of the stock assessment in the two areas by June 1981, by which time the survey would have been carried out for two consecutive fishing seasons (October/May). The (1979/1980) survey report will be ready by end 1980. I proposed that an additional project biologist be redeployed to assist the group presently engaged in this work.

- (iii) The updating of statistics in the proposed two areas in Egypt and Sudan, to provide estimates on the size and distribution of fisheries activities, including number of landing sites, number and types of fishing boats, storage, transport facilities, total landings, catch rates for vessels, etc. would continue. It was agreed that the data would be collected by March 1981.

Egypt and Sudan

15. Following an expression of interest by a financing agency, an IC identification mission could visit the project areas about April 1981.

PDRY

16. Field investigations and engineering surveys required for the Western Coast Village fishery developments in PDRY should be completed by July, and a final report ready by November 1980. These data would be included in the proposed Fisheries III project, to be financed by the World Bank. A CP preparation mission should be scheduled for March/April 1981, by which time the feasibility study for the fisheries training centre, which is the major component of the Fisheries III project, would have been completed.

JUN 21 1982

VJR

June 18, 1982

Mr. Cedric Fernando
Director
Investment Centre
Food and Agriculture Organization
of the United Nations
Via delle Terme di Caracalla, 00100
Rome, Italy

Dear Mr. Fernando:

Subject: UNDP/FAO Projects with Investment Potential,
Development of Fisheries in Areas of the
Red Sea and the Gulf of Aden

We acknowledge with thanks receipt of your letter ref. DP 9/1
RAB/77/008 addressed to Mr. Marius Veraart, and the UNDP/FAO report on
the Development of Fisheries in Areas of the Red Sea and the Gulf of Aden.

Copies of the report are being circulated in the relevant Bank
departments for their views on World Bank involvement in a possible invest-
ment follow-up. We shall be glad to transmit their reaction in the near
future.

With best regards,

Yours sincerely,



Abdallah El Maaroufi
Chief

Technical Assistance & Special Studies Division
Europe, Middle East & North Africa Projects Department

bcc: Mesdames. **Boskey**, Abel (o/r),
Messrs. Veraart, Kinawy (o/r), Burmester, Walton, Socknat, Li (o/r)

MDoany:rr

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FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

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Telex: 610181 FOODAGRI

Telephone: 5797

Ref. EC 6/6

*copy 12.31.81 TA Report-
Sent to Mr. Amouri*

Dear Mr. Riley,

It was a pleasure meeting with you during my last visit to Washington and exchanging with you some views on issues relating to the collection and analysis of data on external flows of resources to agriculture in general and on technical assistance flows in particular. We have the complete set of your semi-annual reports on the World Bank technical assistance as well as the document "World Bank Technical Assistance, 1979-80", dated October 15, 1980 which we will be using in estimating technical assistance to agriculture from the World Bank. I will be very grateful if you could put me on the mailing list of future issues of this document as well as of any other document dealing with the subject.

We are envisaging to collect as much information as possible on technical assistance to agriculture from bilateral sources and from other multilateral development agencies. I will keep you informed of developments in this area.

Thanking you for your kind cooperation.

With best regards.

Yours sincerely,

Brahim Amouri
Policy Analysis Division

Mr. V.J. Riley
International Relations Department
IBRD
1818 H St N.W.
Washington, DC 20433
USA

ORGANISATION DES NATIONS UNIES POUR
L'ALIMENTATION ET L'AGRICULTURE



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PARA LA AGRICULTURA Y LA ALIMENTACION
#71

FOOD AND AGRICULTURE ORGANIZATION
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Telephone: 5797

Ref. DP 9/1 TOG/77/004

JAN. 13 1982

Dear Marius,

UNDP/FAO Projects with Investment Potential

I am pleased to enclose 5 copies of the report of an Investment Centre mission which reviewed the work completed by the UNDP/FAO Project TOG/77/004, "Assistance to ODEF in Forestry Plantations in North Togo", in view of a possible investment follow-up.

Would you be so kind as to forward one copy of this document to Ms. Shirley Boskey, Director, International Relations Department.

I would be grateful if you could let me know whether the World Bank would be interested, in principle, to follow-up on this project.

With kind regards,

Yours sincerely,

Cedric

Cedric Fernando
Director
Investment Centre

Mr. Marius Veraart
FAO and IFAD Coordinator
Agriculture and Rural Department,
CPS
World Bank
1818 H Street, N.W.
Washington, D.C. 20433
U.S.A.

Mr. Boskey
cc: Ms. Shirley Boskey, (1) ✓
Director,
International Relations
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OFFICE MEMORANDUM

TO: Mr. F. Mortier
Chief, Service V, DDCI

DATE: 12 January 1982

FROM: A. Mutsaers, Mission Leader
C. Heimo, Consultant, Plantation Specialist

SUBJECT: TOGO: UNDP/FAO Cooperative Arrangement TOG/77/004 "Assistance to ODEF
in Forestry Plantations in North Togo" Monitoring Mission; Back-to-Office
and Full Report

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OFFICE MEMORANDUM

TO: Mr. F. Mortier
Chief, Service V, DDCI

DATE: 1 December 1981

FROM: Mr. A. Mutsaers, Mission Leader *AM*
Mr. C. Heimo, Consultant, Plantation Specialist *CH*

SUBJECT: TOGO: UNDP/FAO Cooperative Arrangement TOG/77/004 "Assistance to ODEF in Forestry Plantations in North Togo" Monitoring Mission - Back-to-Office and Full Report

A. Introduction

1. According to Terms of Reference dated 2 October 1981, the mission ^{1/} visited Togo between 19 October and 28 October 1981 to review the progress achieved by the UNDP/FAO project. The mission held initial briefing and towards the end of the mission, debriefing meetings with the Director and staff of the "Office National de Développement et d'Exploitation des Forêts (ODEF)", the manager of the FAO/UNDP "Project Assistance to ODEF and Reforestation of North Togo" (PNUD/FAO TOG 77/004) and the UNDP Representative. The mission also kept the FAO Representative informed about its findings and recommendations. The main purpose of the mission was to assess any possible investment follow-up and recommend what further action should be taken to bring through the work of the UNDP/FAO Project, investment proposals to accepted feasibility levels as soon as possible.

2. During a field-trip the mission visited ODEF's Applied Research Centre at Lilicopé in the Coastal region, the Abdoulaye forest in the Central region and the heavily populated northern Lama Kara region. The mission was accompanied by the Director of ODEF and Mr. F. Devillé, UNDP/FAO project manager, who assisted the mission also in all administrative and technical matters.

B. Background

Geography

3. For administrative, but also agro-ecological reasons, the country is divided into 5 large economic regions, namely the Coastal region, followed by the Plateau, Central, and Lama Kara and Savanna regions in the north. The topography varies from flat to gently rolling, with the exception of two small mountain chains, one situated in the north along the Benin border, the other in the central coastal area on the Ghana border with occasional mountain tops reaching 1,000 m or more.

^{1/} A. Mutsaers, FAO mission leader and C. Heimo, Consultant and Plantation Specialist 19/10 to 28/10.

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4. The cold water oceanic current affects greatly the rainfall, temperature and humidity of the coastal zone. Rainfall in the coastal area is bimodal and varies from 850-1,100 mm per year, with the exception of higher rainfall in the western mountain areas. A 3-4 month dry season runs from November to January-February. Rainfall slowly increases to 1,500 mm per year from the plateau to the central regions to diminish again to about 1,000 mm in the extreme north. In this area, the dry season extends for 5-6 months and daily temperature differences of 15-20°C may be registered during the harmattan. At medium altitude (up to 1,000 m elevation) and along the Ghana border the rainfall could reach 1,400-1,700 mm per year without marked dry periods.

Population

5. The 1980 population (of which about 85% is rural) is estimated at 2.75 million people with a growth rate of 2.7% per year. Urban centres are estimated to grow at 6% per year. The workforce constitutes 40% of the total population. The most densely populated regions are in the south the coastal (145 per km²) and in the north the Lama Kara regions (68 per km²). The plateau and savanna regions are less populated respectively (45 and 40 persons per km²). There is some migration especially of young people to the Ivory Coast and Nigeria.

Economy and the Role of Forestry

6. GNP growth has averaged about 6% per year in real terms since 1970, led by exports of phosphate rocks, cocoa and coffee and by construction. In 1976, agriculture, while employing about 75% of the work force, had a GNP share of only 27%; industry, including mining, claimed 27% and the tertiary sector 46%. GNP per capita reached about US\$ 300 in 1977. Agricultural exports of coffee and cocoa represented about 40% of total exports between 1976 and 1978.

7. Forestry plays a negligible role in the economy. It's contribution to total GDP is less than 1%. Out of the total labor force of roughly 1 million persons, not more than 1,000 are formally engaged in forestry. The bulk of the informally active are engaged in fuelwood collection and transport for personal use. The most important aspect is the value of imported sawnwood and plywood, which are estimated at about US\$ 3.0 million per year. Another important factor is the rising cost of fuelwood and charcoal to the urban and peri-urban population. At a cost of up to FCFA 5,000 per stere ^{1/} for fuelwood and a consumption of about 0.7 stere per family per month, fuelwood can absorb up to 20-30% of the income of low income families, where each wage earner receives FCFA 250-400 per day.

8. The Government's development strategy is to diversify the economy and increasingly exploit natural resources, especially forestry. Government also plans to expand food and cash crop production, and improve the country's transport network. Its policies emphasize equity, employment and balanced regional development to raise incomes and productivity of the rural poor through integrated rural development programs, and improvement of first-level education.

^{1/} 1 stere = 1 m³ stacked.

9. In recent years, the decline of phosphate prices, increase in public expenditures, and sizable external borrowings have led to expenditure levels which cannot be sustained. Hence in 1979 the Government adopted an austerity program for public finance, including a real decline in budgetary expenditures and cutbacks in commercial borrowing for the next three years. However, growth prospects for the next decade remain fair, based primarily on further expansion of the phosphate and cement-clinker industries and agricultural production, but depend to a great extent on success in reestablishing financial discipline.

Forestry Resources

10. According to a 1978 FAO "Pilot Project on Tropical Forest Cover Monitoring" the 5 ecological zones of Togo show a limited forest cover.

11. The southern part of the Coastal region is characterized by a mosaic of cultivation and fallow. Moving north, tree and shrub land savanna is interspersed by degraded semi-deciduous forests and shifting cultivation, which gives way in the north-western parts, to partly degraded semi-deciduous forests in the mountain areas.

12. The Plateau region on the western side, is characterized by the small mountain range and higher rainfall up to 1,600 mm per year which led, under the pressure of population, to a mixture of semi-deciduous forests, (partly degraded with high incidence of coffee and/or cacao cultivation), and cultivated fields.

13. The central region contains the remaining of the significant forests. East of the main North-South road lies the semi-deciduous and deciduous forest of Abdoulaye with an estimated area of 245 km², surrounded by tree, woodland and shrub savanna. This area is sparsely populated and cultivated, except in a band, 20-30 km on either side of the main road. Westwards, this cultivation is followed by a complex of woodland and semi-deciduous forests, known as the Adélé region. To the north of this region lies the newly declared forest and wild-life reserve of Fazao with similar vegetation.

14. In the Lama Kara and Savanna regions, under the influence of higher population density, lower rainfall and less fertile soils, the principal vegetation consists of tree and shrub savanna with high incidence of cultivation with some remaining woodlands in hydromorphic depressions and reiverine formations. Due to increasing cultivation this area is quickly loosing fallow brush savanna and is increasingly subject to erosion.

15. The principal remaining forests are by consequence in the Abdoulaye forest and the Adélé area of the central region and in the extreme western mountain range area of the plateau region. These forests are estimated at 4.9% of the total area and represent a surface of 2,900 km².

16. Besides the classified forest of Abdoulaye, the principal classified forests are located in the plateau and coastal region, however only parts of the Togodo forests are still intact, the others are to a large extent overtaken by agriculture.

17. A 1970 and 1972 update inventory by the FAO reveals that at that time the Abdoulaye forest was still practically uninhabited. It has a total area of 29,200 ha of which 11,600 ha may be considered as forests. Estimations made in 1977 by FAO for the 11,600 ha give a total standing volume of 52,000 m³ of high quality commercial hardwood species, like Khaya senegalensis, Azizelia africana and Chlorophora excelsa and 60,000 m³ of softwoods include Triplochiton scleroxylon and Antiaris africana. In addition the forest would contain 265,000 m³ of secondary species like Ceiba pentandra and 140,000 m³ of other species like Anogeissus leiocarpus and Daniella oliverii. Total availability would be 516,000 m³.

18. If trees with a minimum diameter of 62 cm, a height of 9-12 m and an average volume per tree of 5.5 m³ would be exploited, an annual sustained yield of 9,000-10,000 m³ could be foreseen over an area of roughly 1,000 ha per year.

19. The Adélé forest on the western side has not been subject to a similar study and is not a classified forest, however Government forestry officials and UNDP/FAO project specialists estimate that it represents at least a similar volume of good commercial and secondary species. It may thus be estimated that total annual sustained yield in the national forest would be of the order of 18,000 to 20,000 m³.

20. In addition to natural forest, Togo has about 5,000 ha of Tectona, Cedrela odorata and Khaya plantations (but mainly teak) some of them (about 1,000 ha) dating back to as early as 1904. New propagated teak plantations are mainly private or contractual ^{1/} and are seen primarily along major roads and the railway. Generally speaking, the plantations suffer from inadequate management especially in the form of fire protection and selective thinning.

Demand for Forestry Products

21. No formal studies exist with regard to the total demand for forestry products, but various reports have engaged in informal data collection and estimation.

22. In 1978 total sawnwood consumption was estimated between 20,000 and 22,000 m³ and about half of which were imported from Ghana. Two privately owned antiquated sawmills are presently in operation, one at Sikof with an annual output of 800 m³ sawn timber and one in Agou with a 1,500 m³ output capacity. ODEF operates presently with 3 old portable sawmills with a production varying between 250 and 800 m³ per year. The rest of the sawnwood is produced artisinally. Prices vary between 50-75,000 FCFA (US\$ 200-300) per m³ for hardwoods and 35-45,000 FCFA/m³ (US\$ 140-180) for softwood. ODEF sells teak sawnwood for 80,000 FCFA (US\$ 320) per m³. Most plywood, 2,000 m³ in 1978, was imported from Europe and some 10% from Gabon and Ghana. Estimates are that the 1985 total demand will rise to 4,400 m³.

^{1/} Established under a contractual agreement between the landholder and the Government on a crop-sharing basis.

23. Demand for industrial/construction poles is estimated at 40-50,000 poles per year (preferably teak), about half of which is provided by ODEF ^{1/}. Poles of 5-20 cm in diameter and 5-8 m long sell for 150-500 FCFA. Teak poles of over 20 cm in diameter and 8 m long (for telephone and electrical cables) sell for 1,000-5,000 FCFA.

24. The total demand for fuelwood is estimated at 3-4 million steres ^{2/} and of charcoal 22-24,000 tons per year. In Lomé and surrounding urban centres and rural areas, charcoal is increasingly demanded over fuelwood. It is estimated that the 1980 demand of the coastal population would represent the annual output of 30-40,000 ha of plantations. Presently ODEF sells (subsidized) fuelwood only in Lomé, by selling it at 2,000 FCFA (US\$ 8.0 per stere) or about 5 FCFA per kg. It sells charcoal for 900-1,200 FCFA (US\$ 3.60-4.80) per sack of 35-40 kg.

25. Presently the demand is satisfied principally from the production of fallow land, but during the coming 10 years, the rural population of the coastal region would increase by about 50% and the population of urban centres like Lomé would grow by about 80%. This creates simultaneously a sharp reduction in the fallow period and the total area under fallow land, i.e. a sharp reduction in total supply as well as a sharp increase in total demand.

26. In the greater Lama Kara area (Lama Kara, Niam tougou, Kande, Pagouda) within the coming 10 years population density will increase to over 100 persons, or 3-400,000 persons. Prices for fuelwood in this area are already the highest in the country at roughly 5,000 FCFA (US\$ 20.0) per stere as nearly all fuelwood is trucked in from the forested Central Region, which under the pressure, is undergoing rapid depletion. The total demand of this area would require fast growing tree plantations in the order of 30,000 ha, relatively high in relation to the Coastal region, due to the lower mean annual increment per ha.

Forest Institutions

27. Three ministries are directly involved in the forestry sector, namely the "Ministère du Développement Rural" (Direction des Productions Forestières), the "Ministère de l'Aménagement Rural" and the "Ministère de l'Industrie et des Sociétés d'Etat". The two principal forestry institutions are the "Service des Forêts, Chasses et Environnement (SFCE) and ODEF. The principal responsibility of SFCE is forest protection in the form of issuing felling and hunting permits and supervision of exploitation. Since the creation of ODEF in the middle 1970's, the forest service has lost most of its qualified staff to ODEF and is now less than fully operational. SFCE falls under the "Ministère de l'Aménagement Rural".

28. ODEF falls under the two remaining ministries. Technically it is responsible to the "Ministère du Développement Rural" but administratively it falls under the "Ministère de l'Industrie et des Sociétés d'Etat".

^{1/} One should not discount the fact that teak can be used for fuelwood. As a freely coppicing species with vigorous coppice shoots it can produce both poles and fuel in fuel-short areas during the progressive thinning-out and selection of the final pole-crop coppice stems.

^{2/} Stere = m³ billets.

29. Besides ODEF, the "Ministère du Développement Rural" also controls the "Service de la Production Forestière", in charge of community forestry activities. The activities of this service are presently limited to organizing the annual "Day of the Tree", where each village would plant trees on individual and communal lands. Last year 232 ha were planted following this method. The Government contribution is limited to propaganda and the provision of free plants.

30. ODEF is charged with the wide ranging powers of forest management and planning, research, extension, exploitation, industry and marketing. The organization would be self-financing to the extent possible, but would also receive state funds for specific investment activities.

31. Presently the ODEF organization consists of 2 services, a technical and an administrative service. In turn the technical service is subdivided into exploitation, management and silviculture and public works (inoperative). Each in turn is subdivided into working circles headed by operation chiefs. Presently there are 3 working circles for exploitation and 6 working circles for forest management and silviculture.

32. The technical staff consists of 4 and A1 and A2 European educated professionals, 21 B level (African engineering level equal to highschool plus 2 years of technical school training), 21 C level (basic technical training). Total permanent staff consists of 163 persons.

33. Since its inception and until 1979 ODEF has been responsible for the planting of 3,600 ha at an average rate of about 500 ha per year, except during 1979 when only 25 ha was planted due to lack of funds (see para. 9). Most of these were teak plantations, but also Eucalyptus, Cedrella, and Terminalia has been planted.

34. ODEF effectively protects and manages about 3,000 ha, mainly of teak plantations. Its artisanal production of sawn timber equates about 1,000 m³, ODEF imports a further 600-1,000 m³ of sawnwood per year from Ghana. Total annual pole output average 30,000 units. Annually about 1,000 steres of fuelwood is produced and 200-500 tons of charcoal.

35. ODEF is short of facilities, machinery, equipment and transport. Thanks to a 1968 UNDP/FAO project it has a 3,000 ha research facility in the Lilicopé forest reserve of which 800 ha are planted by a wide variety of species, variety and provenance trials. Most other facilities are located in Lomé.

Forest Legislation

36. Except for 1936 colonial law on forestry, which is not anymore enforced, no effective forestry law exists at the moment. The Forest Service has a new forestry law under consideration, but this law is not expected to become effective in the immediate future. The most relevant law affecting forestry is Ordinance N. 12 of 6 February 1974 determining land use. This law stipulates that land not used for any purpose for 5 years is automatically converted to public land and all customary "user rights" are removed. Presently the Ministry of Rural Development, in charge of enforcing the law, has requested ODEF to indicate potential areas which could be converted

to public forests under the law. ODEF's present plans are to include the Adélé forest, now still predominately under natural vegetative cover.

C. The UNDP/FAO Project

Brief Description and Main Objective

37. UNDP/FAO assistance to forestry goes back to 1968. The most recent project is entitled "Assistance to ODEF and reforestation of North Togo" (TOG/77 004/D/01/12). The present project would run for 3 years through June 1982, to be renewed for another 3.5 years through 1985. Total UNDP contribution was \$630,000 and the Government contribution \$250,000. The initial objectives of the project were to develop an ODEF administrative unit in North Togo (Lama Kara), train ODEF personnel, provide technical assistance, develop investment ideas for North Togo, carry out species trials on potential fuelwood and industrial species, study and propose management systems and provide plants for other ongoing projects. Additional objectives shown in the latest available progress report (Jan-June 1981) indicate further wide ranging objectives with regard to community forestry, planning and coordination and forest inventories.

Achievements

38. Thus far the project has planted 225 ha for experimental purposes, in 4 different locations in the Lama Kara and Savanna regions in order to evaluate the influence of different soil and rainfall conditions on various species, varieties and provenances. The project also produced for sale and free distribution 275,000 plants and 1,222 bags of charcoal. Trial species include Cassia siamea, Acacia auriculiformis, Eucalyptus tereticornis, E.torelliana and E.Camaldulensis. While at this stage it is too early to identify preferable species (this would require about 5 years of experience) thus far Acacia auriculiformis, E.tereticornis and E.camaldulensis, show the best signs of growth, with an estimated annual increment potential of around 12-15 or more m³ per ha on marginal soils. No experimentation with fertilizer has been undertaken.

Programme of Work

39. The project TOG/77/004 consists of one principal advisor and one associate expert specializing in silviculture and as a result, the project's work programme is limited. A draft report for the second phase to start in June 1982, indicates the objective of covering the entire forestry sector on the national level. The work programme for the remaining half year and through 1985 may be summarized as follows:

- (i) further assistance to ODEF with the establishment of physical infrastructure;
- (ii) assistance to ODEF in the coordination of ongoing regional reforestation and peri-urban fuelwood plantation;
- (iii) preparation of inventories and management of selected forest areas and continuous review of commercially exploitable forests which a view to establish a sawmilling industry;

- (iv) conservation, protection and restoration of selected savanna and fallow land areas, especially in Northern Togo with a view to manage natural savanna for low level fuelwood production;
- (v) technical assistance for the establishment of anti-erosion forestry in Northern Togo;
- (vi) assistance to genetic improvement trials and forest research activities.

40. This programme would require expertise in forest inventory, saw-milling and industrial mechanics, forestry genetics and forestry economics, as well as a project manager and administrative assistance.

Relationship with Government Development Policy

41. The project is foreseen as providing technical assistance with regard to all aspects of Government policy. The immediate objectives of Government is the provision of fuelwood, charcoal and construction poles and the improvement of the industrial sawnwood output capacity. The Government sees therefore as its primary duties the development of peri-urban fuelwood plantations, industrial (Government owned) plantations and the establishment of a sawmilling industry. The project has been defined to provide the maximum assistance to the Government to reach these objectives.

D. Investment Potential

Type and Scope of a Possible Investment Project

42. The Togo forestry sector is faced by the growing need for fuelwood in the densely populated areas of the Coastal and Northern regions and by the increasing need to import the bulk of the sawnwood for building and industrial purposes.

43. Under the combined pressure of rural population growth, which reduces the total area under fallow presently the traditional source of fuelwood, and a growing urban population unable to provide for itself, there is a rising demand for industrial type plantations on publicly owned land and for the systematic introduction of forestry in agricultural rotations.

44. The UNDP/FAO project has developed the essential components of a forestry component in such rotations in the northern region. These areas also benefit from a series of rural development projects which provide the institutional setting as well as the improved agricultural input packages which would facilitate the introduction of fuelwood in the rotation. In the Coastal region where the fallow still provides the bulk of the fuelwood, conditions for agro-forestry are less favorable as farmers still feel they may obtain fuelwood at no cost or effort from their fallow land. Until the fallow period shortens and the total fallow area decreases, the solution must be industrial and publicly owned plantations.

45. For these reasons it would be essential to include a pilot phase of introducing agro-forestry plantations in the northern areas. Given the limited capacity of such plantations as compared to the total demand, the project would also need to review the progress and the long-term potential of the project's efforts to manage natural woody vegetation for the production of wood for energy purposes. In addition, in order to meet as soon as possible the growing fuelwood shortage in the area, public land available to ODEF would also need to be planted by ODEF in blocks with fast growing species. In the Coastal area, land available in the Lilicopé classified forest would be planted in blocks by ODEF with fast growing fuelwood species to supplement the ongoing plantation effort to alleviate fuelwood shortages in the Coastal regions.

46. The total size of such commercial plantations must take into consideration ODEF past implementation capacity so that the planting programme should not exceed 700-1,000 ha per year, which would limit the total area of plantations to about 4-5,000 ha over a 5 year period.

47. The forestry inventories of the central region and the substantial level of sawnwood imports, indicate the need for and the possibility of initiating a commercial sawmilling operation in the central region. If such industrial activity would be combined with improved forest management and selected commercial species plantations, a viable long-term sawmilling industry could be established. Without exploitation, forest management and plantation establishment would not be financially feasible and the forests would eventually become subject to destruction by shifting cultivation.

48. The essential problem is that recently no logging oriented inventory of the Abdoulaye and Adélé forests have taken place. The existing inventory of the Abdoulaye forest is about 10 years old and no such inventory exists for the Adélé forest. Another problem is that very limited experience exists with commercial logging operations and industrial sawmilling. Any medium sized operation would need to accept the very limited supply of skilled labour and management. A heavy training and technical assistance component would need to be foreseen.

Priority of the Project in Government Investment Programme

49. During debriefing with Government where this project concept was discussed, Government expressed its opinion that such a project would have top priority in its investment programme for which it would actively seek external financing.

E. The Project

Brief Description

50. A possible project over 5 years, would establish 4,500 ha of plantations of which: 1,500 ha of fuelwood plantations in the Kara and Savanna regions and 2,000 ha of fuelwood plantations in the Coastal region, and 1,000 ha of teak plantations in logged forests. It is also proposed to establish in the Abdoulaye and Adélé forest areas of the Central region a sawmill with an estimated log input capacity of 10,000 m³ with possibly

chemical treatment equipment. The project would also provide technical assistance and consultancies in specific fields.

Detailed Description

51. Fifteen hundred hectares of fast growing fuelwood plantations would be established in the Kara and Savannah regions, using species found to be most suitable by the ongoing FAO/UNDP project TOG 77/004. The "Service de la promotion forestière" would organize the plantation of 500 ha in an agro-forestry system pilot scheme on peri-urban farms and in the Lama Kara-Niamtougou-Pagouda and Mango and Dapango area. Plantations would be established on publicly owned land by ODEF with hired labor on 1,000 ha which is the maximum land available in this area.
52. In the maritime region, the project would support ODEF in completing its on-going plantation programme now limited to Efe and financed by the French bilateral assistance. Another 2,000 ha of Eucalyptus fuelwood plantations would be established in the Lilicopé classified forest for the supply of urban centres in the coastal area.
53. Based on the results of PNUD/FAO SF/TOG/10 forestry inventory, the project proposes to establish a sawmill with an estimated log input capacity of about 10,000 m³ in the Central region in the vicinity of Sotouboua drawing on commercial species logged in the greater Abdoulaye and Adélé forest areas. Chemical treatment equipment to preserve less durable species would also be considered. ODEF would manage the proposed sawmill. In addition, silviculture practices (protection, selective thinning) would be introduced on the area of the logging workplan to assure maximum natural growth of commercial species. Existing teak plantations would be inventoried and proper management techniques applied.
54. To support the long-term development of a sawmilling industry, the project would establish through ODEF, in the area an understocked but high quality savannah land of the Central region, 1,000 ha of Tectona, Cedrela and Kahia plantations, starting with 200 ha/year and progressively working up at the end of the project to an annual planting capacity of 500 ha.
55. The project would provide technical assistance in the fields of community forestry plantations, forest engineering, logging (mechanical), sawmilling, and short-term consultancies particularly in the fields of cash crop intercropping and nursery techniques.
56. The total cost of the project is tentatively estimated at around US\$ 14.0 million, of which US\$ 6.0 million for direct plantation cost, US\$ 3.0-4.0 million for the sawmill, US\$ 2.0 million for logging and transport and US\$ 2.0 million for technical assistance and fellowships.

F. Further UNDP/FAO Project Input and Main Issues

57. To arrive at the level of final preparation of an investment project, the following further studies are required:

- (i) the nature and scope of the agro-forestry component. This would require a 1.5 month study team consisting of a sociologist, an agro-forestry specialist and an economist (see proposed TOR Appendix 1);
- (ii) more specific reconnaissance inventories on the Abdoulaye and Adélé forests (see proposed TOR Appendix 2). This would require a logging oriented forest inventory specialist for 4 months.

58. To undertake the above studies the UNDP project will only be able to supervise the work to be undertaken by additional consultancies as no funds nor expertise is presently available. Additional funds will therefore be necessary; they could be provided by UNDP possibly through advanced funding of the second phase of the project starting June 1982 or other variable resources in the IPF or through other sources (TCP). The costs are estimated to be in the order of US\$ 127,000 with a 90% foreign exchange component (see Appendix 3).

Conclusions

59. It is recommended that urgent action is taken to complete the recommended studies before the rainy season of 1982 i.e. before June 1982. Further technical assistance by the Investment Centre to finalize the investment project will probably prove necessary. The conditions under which this can be provided will have to be discussed with the Government when the feasibility studies are being completed.

Proposed Terms of Reference for Logging Expert

1. The logging expert would verify the economic, technical and organizational feasibility of logging the Abdoulaye and Adélé forest areas with the objective of establishing a roughly 10,000 m³ input capacity sawmill in the area. He would identify areas where a logging and management work plan would assure the sustained production of about 10,000-12,000 m³ per year, and prepare a reconnaissance inventory on the principal forested zones of the Abdoulaye and Adélé forests allowing the identification of:

- the general composition of the forest;
- the total volume of exploitable species and the location and distribution of the principal commercial and useful secondary species;
- the accessibility of the terrain given topography and the hydrological conditions especially from the point of view of log transport.

2. Based on these findings he would make specific recommendations regarding the location of the principal harvesting areas, their volume, species composition and annually sustainable yield.

3. He would identify the most likely location for a sawmill and its capacity, technology, technical assistance requirements, overall investment cost and other specific requirements which might be relevant. He would also comment on the suitability of a chemical treatment plant.

4. He would identify the logging techniques and investment and technical assistance requirements in the form of equipment, machinery, buildings, etc.

5. He would also identify a preliminary access and feeder road network and provide road construction specification and costs.

6. To carry out his work he would draw on aerial and ground-level reconnaissance and on up-to-date available aerial photographs and topographic maps, and on the existing studies available both in Rome and Lomé, in particular the FAO inventory studies of 1972 on the Abdoulaye forests. He would be briefed in Rome before commencing his field work.

Proposed Terms of Reference for Agro-Forestry Study Team

1. An agro-forestry team would consist of an agri-forestry specialist (team leader), a sociologist and an economist. The principal responsibility of the team would be a 500 ha pilot scheme to identify the feasibility of peri-urban farm plantations in the Kara and Savanna regions. This team would identify the method of approach to farmers and the conditions under which farmers would be willing to include fuelwood plantations in their rotations. Specifically the team would consider:

- the feasibility of mixed plantations (fruit, fodder, fuelwood, poles);
- the introduction of nitrogen fixation species;
- the importance of some benefits starting as early as possible, possibly the third or fourth year;
- the detail, nature and organization of the technical assistance the farmer requires to include the plantation in his rotation;
- the level, nature and organization of financial assistance required on the farm level;
- the physical inputs and the costs and the staffing, organization and management of a 500-ha pilot phase.

2. In particular, the team would study the feasibility of applying the method now used by the on-going FED land settlement project in the area and of operating in the pilot area of the FAO rural development project. The team would also comment on the feasibility of and ways and means of incorporating the plantation component in other on-going rural development projects.

3. To come to its conclusion and recommendations the team would include in its report farm budgets with and without fuelwood plantations taking due note of seasonal labour requirements and availabilities, and the quantitative benefits and costs of multipurpose fuelwood plantations. To prepare such budgets the team would draw on farm budgets prepared by other ongoing projects but, in addition, the team would prepare budgets on the basis of as large and representative a number of farm interviews it can carry out in the available time.

4. The team would spend about 3 weeks on data collection and a similar time report writing in the field for a total of 4-5 man-months.

Cost Estimates for the Reconnaissance Mission
On Abdoulaye and Adélé Forests

	Unit	No. of Units	Unit Costs US \$	Total Costs
<u>Internationally Recruited Specialist</u>				
Inventory and forests exploitation specialist	man-month	4	10,000	40,000
Short term consultancies	day	15	400	6,000
<u>Local Personnel</u>				
Forest technical	man-month	3	250	750
Specialized labourers	man-month	20	100	2,000
Drawing staff	man-month	2	200	400
<u>Photo Interpretation Works and Equipment</u>				
Aerial photographic	no	100	20	2,000
Stereoscope	no	1	5,000	5,000
Pantograph	no	1	800	800
Planimeter	no	1	400	400
Reproduction Works	-	-	-	200
Miscellaneous	-	-	-	200
<u>Survey and Inventory Equipment</u>				
Compass forestry compass				
Clinometers, diameter tapes	no	2	250	500
Survey steel tapes	no	3	70	210
<u>Camping Equipment</u>				
Tent	no	2	300	600
Camping bed	no	3	100	300
Mosquito nets	no	3	30	90
Cooking equipment	no	1	200	200
<u>Transport Costs</u>				
Four wheel drive 2500 km/month	km	10,000	0.7	7,000
Private flight	hour	15	150	2,250
Miscellaneous	10%			5,600
Total				75,000

Cost Estimates Agro-Forestry Team
for Lama Kara and Savanna Regions

	Unit	No.of Units	Unit Cost ...US\$...	Total Cost
<u>Internationally Recruited Specialists</u>				
Agro-forester	man-months	1.5	10,000	15,000
Sociologist	"	1.5	10,000	15,000
Economist	"	1.5	10,000	15,000
<u>Local Personnel 1/</u>	"	9	200	1,800
<u>Transport Costs</u>				
Four-wheel drive	km	5,000	0.7	3,500
<u>Sub-Total</u>				
Miscellaneous				<u>1,700</u>
Total				52,000

1/ One driver, 2 secretaries, 3 counterparts for 1.5 month.

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

ORGANIZACION DE LAS NACIONES UNIDAS
PARA LA AGRICULTURA Y LA ALIMENTACION



7.1
منظمة الأغذية والزراعة للأمم المتحدة

ORGANISATION DES NATIONS UNIES POUR
L'ALIMENTATION ET L'AGRICULTURE

Via delle Terme di Caracalla, 00100 - ROME

Cables: FOODAGRI ROME

Telex: 610181 FAO I

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Ref. G/X/DDF-30

Esla
24 July 1981

Appointment of FAO Representative in Liberia

The Director-General of the Food and Agriculture Organization of the United Nations has the honour to announce that with the concurrence of the Government of Liberia, Mr Edward O. Bayagbona has been appointed as FAO Representative in Liberia with effect from 1 June 1981.

Mr Bayagbona, who is a national of Nigeria, holds a Bachelor's degree in Zoology from University College, Ibadan. His more than twenty years of experience in his Government's service have included the posts of Federal Director of Fisheries, of Minister (Agriculture) with the Embassy of Nigeria to Italy and of Permanent Representative of Nigeria to FAO. Before joining the Organization as FAO Representative in Liberia, Mr Bayagbona was Director of the Nigerian Institute for Oceanography and Marine Research.

Mr Bayagbona succeeds Mr Y. Habtu as FAO Representative in Liberia.

hrc

The President
World Bank
WASHINGTON

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INCOMING MAIL UNIT

OFFICE MEMORANDUM

TO: Mr. Marius Veraat (AGR)
FROM: Rita E. Parrilli (IRD)
SUBJECT: World Bank and FAO Technical Assistance Projects

DATE: March 17, 1981

Mr. Cedric Fernando's (FAO) memo of December 23, 1980 requests that he be notified of any UNDP/FAO projects related to Bank loans in addition to those be listed.

Below are three UNDP/FAO projects in Latin America where the Government Cost Sharing Contribution to the UNDP/FAO project is actually derived from the proceeds of a Bank loan. At the Government's request, Bank loan funds are deposited with UNDP, co-mingled with UNDP funds, and utilized by FAO to implement the technical assistance project:

<u>UNDP/FAO Project</u>	<u>Bank Loan</u>	<u>Amount of Bank Loan Deposited with UNDP</u>
<u>BRA/74/008</u> Development of the San Francisco River Valley	1153-BR	\$626,017
<u>BRA/78/007</u> Integrated Rural Development	1729-BR	\$1,260.000
<u>ELS/78/013</u> Farmer Training	1571-ES	\$345,250
<u>PAR/79/003</u> Agricultural Census	1674-PA	\$79,800

RParrilli/frc

U. Riley 7.1

	FIELD PROGRAMME CIRCULAR		No. 11/81
	PROGRAMME UNDP	Cat. 1	SUPERSEDES DATE 13 March 1981

Subject: Arrangements for Preparation of UNDP Country Programmes for the Third Five-Year Cycle

Originator: DDFC, Field Programme Development Division

Distribution: Departments and Divisions
Operations Units
DDF Bureaux
FAO Representatives

cc: FAO Regional Offices

1. The attached document UNDP/PROG/80, which has just been received from UNDP, describes new arrangements for the preparation of country programmes, to take effect for programmes to be approved as from June 1982. The circular information has been distributed in advance of a formal revision of the relevant chapter of UNDP's Policies and Procedures Manual, to enable governments, UNDP Resident Representatives, Agencies and others concerned to participate as early as possible according to the new arrangements.
2. On the whole, a certain simplification in current procedures are foreseen, and more flexibility will be introduced in the programming procedures than is now the case. The new arrangements, known as "continuous programming", will allow for adjustments and new programming as required during implementation of country programmes and it is foreseen that, as a rule, in the initial phases only part of a given programme will be firmly committed to specific projects. The programme document itself will be considerably simplified and shortened, and special norms have been laid down for small programmes.
3. It is noted from para 35 of the document that the first batch of programmes under the new arrangements, for approval in June next year, must reach UNDP and Agency HQ already in October this year. Apart from the regular Governing Council sessions in June of each year, it is foreseen that a special meeting of the Council may be convened in January 1983 for the purpose of approving country programmes.
4. Information on the scheduling of submissions of country programmes for approval is found in Field Programme Circular No. 6/81.

UNITED NATIONS DEVELOPMENT PROGRAMME



UNDP

UNDP/PROG/80
UNDP/PROG/FIELD/121
UNDP/PROG/HQTRS/132

17 February 1981

To: Participating and Executing Agencies of UNDP
Field Offices of UNDP and
UNDP Headquarters Staff

From: Bradford Morse
Administrator

A handwritten signature in dark ink, appearing to read 'Brad Morse'.

Subject: Country Programmes due for submission to the Governing Council in June 1982 and, tentatively, January 1983

1. As a result of discussions by the Governing Council at its 27th session of the Administrator's report DP/454 on country programming for the third programme cycle, during the global meeting of Resident Representatives in Tunis, and consultations with other organizations of the United Nations System,^{1/} we will make a number of recommendations for the Council's approval at its 28th session in June of this year, including those relating to the timing of country programmes and simplification of the documentation for country programmes required by the Council. Both issues will be discussed below.

2. The modified approach to country programming for the third cycle discussed in document DP/454 and the decisions to be taken by the Governing Council at its next session will be reflected in revisions of Chapter 3200 on Country Programming in the UNDP Policies and Procedures Manual (PPM).

3. The Administrator has decided that country programmes to be approved as of June 1982 should be prepared in accordance with the policies and procedures envisaged for the third programme cycle. In order to avoid delays, pending issuance of the revised instructions, in preparations for the formulation of country programmes which are to be submitted as from June 1982, this memorandum provides advance guidance on the process to be followed.

4. Country programming for the third programme cycle will be based on the Administrator's proposals for future country programming, endorsed by the Governing Council at its 27th session (DP/454, part III). These proposals do not affect the basic principles of country programming laid down in the Consensus and discussed in PPM 3211, 3212, and 3213 except where modified.

^{1/} Further in this letter referred to as the agencies. The term "United Nations System" is used to denote all organizations, including UNDP.

/...

5. The instructions contained in this document concern the preparation of country programmes and supersede sections 3220 and 3240 of the PPM. A more detailed discussion of continuous programming and periodic reviews will be included in the revisions of the PPM mentioned earlier. The Administrator's recommendation for greater flexibility in the timing of country programmes (paragraph 23) and new formats for country programme documents (paragraphs 32-34) should be borne in mind when formulating country programmes for the third cycle and preparing the required documents.

6. The approach to country programming adopted for the second programme cycle was characterized by the shift from the programming of projects to programming by objectives, and by its emphasis on maintaining the relevance of UNDP technical co-operation to evolving national objectives, needs and priorities. This approach which envisages a dynamic country programme and is referred to as "continuous programming" was not generally applied during the second programme cycle. It is to be consistently adhered to in all future country programming. Throughout, Resident Representatives should bear in mind that continuous programming also constitutes an essential step towards facilitating the use of the UNDP country programming process as a frame of reference for operational activities of the United Nations system at the country level.

7. Fundamental to the country programming process is the primacy of the role of the Government on the one hand, and the notion of a United Nations development system on the other. Inherent in the notion of a United Nations development system is the concept of partnership. Resident Representatives should therefore take all possible steps to ensure the participation of agencies at the appropriate levels. Such steps would be taken with a view to maximizing the utilization of the agencies' considerable accumulated experience. Resident Representatives themselves should take advantage of the existence of this experience, whatever the role the Government might wish agencies to play in the interaction between it and the United Nations System.

8. A continuing dialogue both at the operational level, between the United Nations System and the sectoral ministries, and with the central planning and co-ordinating authorities, should be the cornerstone of the process of continuous programming and the basis for: (i) the formulation of the country programme; (ii) the continuing review of its implementation; and (iii) the identification of new activities.

9. In the context of continuous programming, the formulation of a new country programme, essentially, will be a phase in the continuing process. That stage has not been reached in most countries, and Resident Representatives will, therefore, have to make a special effort to ensure that new country programmes are prepared with a view to the process of implementation and continuous programming that will follow their approval.

1. The determination of technical co-operation requirements

(a) Programme of reviews and studies at the sectoral, sub-sectoral and multi-sectoral levels.

10. The programming of UNDP resources should be based on technical co-operation requirements at the sectoral, sub-sectoral or multi-sectoral levels to be established through a process of reviews and/or studies. Maximum use should be made of existing studies and earlier or planned reviews carried out by the Government and agencies.

11. The extent and nature of additional individual reviews and studies to be carried out, should be determined by the responsible Government authorities. The size of the country programme, the amount of programmable resources, the history of agency involvement in programming, Governments' attitudes at the central and sectoral levels and the extent of usable information already available on technical co-operation requirements are all factors varying from country to country which will decide the time and effort involved. Resident Representatives should as soon as possible initiate consultations with Governments and agencies on the desirability and possibility of carrying out the necessary reviews and studies. Governments should be encouraged to seek the active participation of agencies in the review process.

12. Reviews and studies should be carried out by the Government or under Government auspices. The participation of agencies in specific studies and reviews should be determined in consultation between the Government and the agencies, the latter under the leadership of the Resident Representative. If so requested by the Government, the cost of agency participation may be charged to the IPF.

13. The Resident Representatives should help to ensure that reviews and studies that need to be carried out are scheduled in such a way that they will not interfere with one another and that the results will be available in time for the formulation of the new country programme. Resident Representatives should apprise agencies not represented in the country or otherwise present of the proposed reviews and studies, and the period within which these are to be undertaken.

14. In those cases where Governments see no merit in conducting reviews or studies especially for the formulation of the country programme, the Resident Representative should consult with the agencies regarding the current and planned programmes of agency and UNDP assistance and new technical co-operation requirements, with a view to his/her preparation for the discussions with the central Government authorities. Participation in such "internal" reviews by representatives of the central co-ordinating and planning authorities and of the ministries concerned should be encouraged.

15. In the case of very small IPFs or otherwise limited programmable resources the determination of technical co-operation needs which can be met by UNDP may not require more than the necessary consultations between the Government, the agencies and UNDP as referred to in paragraph 14.

(b) Country Programme formulation

16. The formulation of the new country programme of UNDP technical co-operation is the responsibility of the Government concerned and should be carried out in consultation with the Resident Representative. The participation of agencies in sectoral discussions for the purpose of formulating the country programme is determined by the Government. Agencies not invited by the Government to participate in such discussions may request the Resident Representative to represent them in such cases and convey their views on their behalf.

17. The Government may - as in the past - call upon the Resident Representative to assist in the preparation of the country programme document.

18. Current instructions for comments on and approval of the country programme (PPM 3250) remain valid.

19. The formulation of the UNDP country programme, and the preceding reviews and studies will provide the added opportunity to explore and discuss alternative multilateral and bilateral sources of financing to meet the needs in various sectors. Resident Representatives should give special attention to requirements that may be met from other funds and programmes managed by UNDP, including the United Nations Capital Development Fund (UNCDF), the United Nations Fund for Natural Resources Exploration (UNRFNRE), the United Nations Volunteers (UNV), the United Nations Sahelian Office (UNSO) and the Interim Fund for Science and Technology Development (IFSTD), as well as the United Nations Fund for Population Activities (UNFPA).

2. Programme Orientation

20. Although the contents of a country programme and, therefore, its overall orientation are determined by the Government, Resident Representatives can, and often do play a role in the conception of country programmes. The Resident Representative's Note has proved helpful in a number of cases, but there are also instances of Governments having made little or no use of the written contribution of the Resident Representative. Some Governments attach more value to maintaining a continuous dialogue with UNDP. For that reason and to further simplify the country programming process, the Resident Representative should not prepare a Note on the Country Programme before consultation with the appropriate Government authorities.

21. The process of reviews and studies discussed under 1-a above should be used to the extent possible to consider with the Government whether and how it will use the resources available from UNDP to meet global objectives and priorities reflected in the national plan, seek opportunities for the United

Nations System to make a contribution in areas of special concern to the international community such as the establishment of a New International Economic Order (NIEO), TCDC/ECDC, and the participation of women in development. Attention should also be paid to the goals of the International Development Strategy for the Third United Nations Development Decade (General Assembly Resolution 35/56).

22. Country programming should be objectives oriented. This means that the determination of the use of UNDP resources should take place within the wider context of the identification of development objectives which the Government wishes to meet with external assistance, how it envisages the use of external resources available to it, and the place of UNDP technical co-operation in the overall effort, including the Government's own. In the PPM the approach has also been referred to as the programme approach. Resident Representatives should pay special attention to the need to provide sufficient scope in the UNDP programme to meet new needs arising from changes in development objectives and priorities, and in Government policy in the use of external resources. UNDP country programmes should, therefore, be project-specific only to the extent that the need and priority of technical co-operation activities, their nature, scope and mode of financing, and their feasibility have been determined and firmly established in the course of the reviews, studies and consultations carried out. Besides identifying these projects to be supported by UNDP, the country programme should establish priorities for the future use of UNDP assistance in the context of the Government's overall plan for the use of resources available for development.

3. Time-frame of Country Programmes

23. A recent review of country programmes approved for the second IPF cycle showed that the majority of programmes was timed to coincide with the IPF cycle and that very few country programmes were actually co-terminus with the country's national plan. In view of this experience, and since the purpose of continuous programming as conceived for the third programme cycle is to ensure continued relevance of technical co-operation activities to a country's development requirements as they evolve, greater flexibility may be exercised in the timing of country programmes. The following should be taken into consideration.

24. About two-thirds of all UNDP country programmes will terminate at the end of 1981. For those, new programmes should in principle commence in January 1982, which coincides with the beginning of the third IPF cycle. Consequently, and in the interest of improved overall management of programmes and programme resources for the third IPF cycle, the Administrator's aim is the approval of the large majority of country programmes for the third IPF cycle within the first one to two years of that cycle. In order to enable the Governing Council to cope with the large volume of programmes to be approved in 1982 and 1983, a special meeting of the Council will be recommended for January 1983.

/...

25. Another aspect to which special attention is to be paid in the preparation of new country programmes is that programmes should essentially be forward looking. There have been instances where the Governing Council was asked to approve country programmes which were already well advanced in implementation. It should be obvious that there is little point in asking the Council to approve programmes for which a large portion of the resources has already been committed and even spent. Rather than include in the time-frame of the country programme the period preceding its approval by the Governing Council, country programmes should be designed to commence after, or at least in the year in which they are scheduled to be approved. For the programmes to be approved in June 1982 and (tentatively) January 1983 this means that they should preferably commence in January 1983 or later. For the reason stated earlier, it would be desirable for such programmes to be scheduled through 1986.

26. The proposed scheduling may cause a hiatus between the end of the previous programme and the beginning of the new programme. Country programmes to be approved in June 1982 and January 1983 which show such a hiatus should include an explanation for the delay in the preparation and submission of the new country programme and a brief justification for assistance provided during the period of the hiatus, including projects which terminated before the beginning of the new programme.

4. The Country Programme Document

27. In order to facilitate the process of review and approval by the Governing Council of a large number of country programmes and in general reduce the inordinate amount of work usually involved in the processing of country programme documents we will be proposing to the Governing Council the use of different formats for programmes of a combined IPF and Government costsharing contribution of \$20 million or less and those whose resources exceed that amount. The adoption of different formats according to the size of programmes should not affect the quality of the process leading to the formulation of the country programme.

28. For the purpose of Governing Council approval and to serve as a basis for continuous programming, all country programme documents should include information on:

- (a) Development objectives selected for assistance from UNDP and how this assistance relates to the Government's own efforts and its use of other external resources to achieve the objectives;

- (b) The assistance sought from UNDP, including: (i) the continuing commitments of UNDP originating in the previous programme in terms of objectives to be attained, the actions under way (projects assisted) and their anticipated duration, the nature of the assistance, and the resources involved; and (ii) the proposed use of resources left to be programmed (excluding the reserve), in two categories: (1st) assistance to new projects, including new phases of assistance to ongoing projects and (2nd) earmarkings for specific programmes or activities for which projects are to be identified at the appropriate time;
- (c) Resources to be held in reserve for unforeseen activities arising from changes in the national plan or strategy, or from new priorities perceived by the Government, with appropriate justification.

The use of unprogrammed UNDP resources (see (b)-(ii) above) should be planned in accordance with the requirements of Governments' own planning processes, leaving sufficient room for the adjustment of the UNDP programme to changing priorities arising in the course of, for example, the preparation of a Government's annual development budget. This should, however, not lead to significant portions (more than 10 per cent) of the available resources being left unprogrammed by holding them in reserve.^{2/} The objectives to be met with the assistance of UNDP should be clear from the outset, which should be reflected in the earmarkings for specific programmes and activities (see (b)-(ii)(2nd) above).

29. In addition to the information set out in the previous paragraph, country programme documents should mention succinctly: (i) how Governments relate UNDP technical co-operation to decisions taken in international fora setting global objectives and targets for development, and encouraging individual Governments to contribute to their achievement (paragraph 21); (ii) linkages between UNDP assistance at the country level and intercountry activities supported by UNDP; (iii) the relationships between UNDP technical co-operation and assistance from other multilateral or bilateral sources; and (iv) actions envisaged to promote self-reliance in development at the country and intercountry level (New Dimensions, TCDC/ECDC etc.).

30. In the interest of greater coherence of development co-operation of the United Nations System at the country level and for the purpose of programme management, country programme documents should indicate, as appropriate, complementarity between activities assisted or to be assisted by UNDP and those supported by agencies, and note plans for the co-ordination of assistance from various United Nations sources in the future.

^{2/} So long as Illustrative IPF's have not yet been replaced by final IPF's for the third programme cycle, the provisions of UNDP/PROG/FIELD/111; HQTRS/126 of 20 August 1980 should be taken into consideration when determining the level of the reserve.

31. Information referred to in the two previous paragraphs should be provided only in relation to concrete proposals for UNDP technical co-operation and be kept factual and brief. Information on relationship with intercountry programmes and projects, significant features of the country programme, and assistance from organizations of the United Nations System other than UNDP (Annex 2: Compendium), previously included in separate sections of the country programme document, should be absorbed, selectively, in the remaining sections of the country programme document as indicated below, and only if of immediate relevance to the design of the programme. A discussion of the country's development perspective is no longer required. The inclusion in country programme documents of background information, a statement on economic conditions, and detailed tables listing projects and annualized allocation of resources, all relics of the first programme cycle, should be avoided.

32. The contents of country programme documents for programmes larger than \$20 million, including cost-sharing, should be kept the minimum required to convey the information outlined in the previous paragraphs. The documents should include:

- (i) Cover page (existing format - 1 page);
- (ii) Index (1 page);
- (iii) Introduction, including succinct information on the time-frame adopted for the programme, anticipated resources, and highlights of the programme including investment orientation, fostering of national self-reliance, TCDC/ECDC, relation to global objectives such as NIEO, participation of women in development, etc. (1 to 2 pages);
- (iv) National development objectives and programmes to be supported by UNDP, and the assistance envisaged in terms of support to projects (ongoing and new) and support for selected activities or programmes for which projects are still to be developed by the Government; the section should include an indication of relationships - if any - with other country and inter-country activities of the United Nations System and, as appropriate, other donors in the same area of activity (number of pages depending on size of programme);
- (v) Annex: Financial Summary (existing format - 1 page).

The length of the country programme document should be determined by the volume of resources to be programmed and, consequently, the diversity of activities to be supported by UNDP (item iv); under no circumstances should it exceed 32 pages including cover page and Annex.

/...

33. Country programme documents for programmes of \$20 million or less, including cost-sharing, should contain in summary form, the information mentioned in paragraph 28, and a financial summary. They should not exceed eight pages, including the cover page. The submission of a Note of the Administrator would not be required for such short-format country programme documents. The following contents are envisaged:

- (i) Cover page (new format - 1 page);
- (ii) Introduction: including a brief description of the process followed for programme formulation, time-frame and anticipated resources, highlights of the programme (1 page);
- (iii) UNDP technical co-operation envisaged in support of national development priorities; a summary of national objectives/priorities selected for UNDP assistance, related assistance from other sources, and UNDP's own contribution (up to 5 pages);
- (iv) Annex: Financial Summary (existing format - 1 page).

34. For very small country programmes - e.g. less than \$5 million including cost-sharing and covering only a few development activities - section (iii) may be reduced to a brief statement of the assistance to be provided by UNDP and its justification in light of priorities of the Government. The document, including cover page, need not exceed 4 - 6 pages.

35. Resident Representatives should ensure that the schedule for submission of draft country programme documents (PPM-3251) is carefully adhered to. Programmes to be approved in June 1982 should, therefore, reach UNDP and agencies in October 1981 and those to be approved in June 1983, in October 1982. If the Governing Council convenes a special meeting in January 1983, programmes to be approved at that meeting should reach the various headquarters in May 1982.

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ORGANISATION DES NATIONS UNIES POUR
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Via delle Terme di Caracalla, 00100 - ROME

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Telex: 610181 FAO I

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Ref. G/X/DDF-23

2 February 1981

Appointment of FAO Representative in Suriname

The Director-General of the Food and Agriculture Organization of the United Nations has the honour to advise that as a result of the deliberations of the Seventy-fifth Session of the FAO Council, at the request of the Government of Suriname the accreditation of the FAO Representative in Guyana has been extended to cover also Suriname.

Mr. E.W. Bolle-Jones has been appointed as FAO Representative in Suriname with effect from 1 December 1980.

With the concurrence of the Government of Suriname and the Government of Guyana, Mr. Bolle-Jones will perform his liaison functions with the Government of Suriname and supervise FAO activities in that country in addition to his duties as FAO Representative in Guyana.

h2c

The President
World Bank
WASHINGTON

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Telex: 610181 FAO I

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Ref. G/X/DDF-24

2 February 1981

Appointment of FAO Representative in Saint Lucia

The Director-General of the Food and Agriculture Organization of the United Nations has the honour to announce that as a result of the deliberations of the Seventy-fifth Session of the FAO Council, at the request of the Government of Saint Lucia the accreditation of the FAO Representative in Barbados has been extended to cover also Saint Lucia.

Mr. Giovanni Tedesco has been appointed as FAO Representative in Saint Lucia with effect from 18 December 1980.

With the concurrence of the Government of Saint Lucia and the Government of Barbados, Mr. Tedesco will perform his liaison functions with the Government of Saint Lucia and supervise FAO activities in that country in addition to his duties as FAO Representative in Barbados.

hsc

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Telex: 610181 FAO I

Telephone: 57971

Ref. G/X/DDF-27

27 March 1981

Appointment of FAO Representative in Grenada

The Director-General of the Food and Agriculture Organization of the United Nations has the honour to announce that as a result of the deliberations of the Seventy-fifth Session of the FAO Council, at the request of the Government of Grenada the accreditation of the FAO Representative in Barbados has been extended to cover also Grenada.

Mr Giovanni Tedesco has been appointed as FAO Representative in Grenada with effect from 20 January 1981.

With the concurrence of the Government of Grenada and of the Government of Barbados, Mr Tedesco will perform his liaison functions with the Government of Grenada and supervise FAO activities in that country in addition to his duties as FAO Representative in Barbados.

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The President
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Cables: FOODAGRI ROME

Telex: 610181 FAO I

Telephone: 57971

Ref. G/X/DDF-25

16 March 1981

Appointment of FAO Representative in Sao Tome and Principe

The Director-General of the Food and Agriculture Organization of the United Nations has the honour to announce that as a result of the deliberations of the Seventy-fifth Session of the FAO Council, at the request of the Government of the Republic of Sao Tome and Principe the accreditation of the FAO Representative in Congo has been extended to cover also Sao Tome and Principe.

Mr. Eftim Bojadzievski has been appointed as FAO Representative in Sao Tome and Principe with effect from 1 January 1981.

With the concurrence of the Government of Sao Tome and Principe and the Government of the People's Republic of Congo, Mr. Bojadzievski will perform his liaison functions with the Government of the Republic of Sao Tome and Principe and supervise FAO activities in that country in addition to his duties as FAO Representative in Congo. C.A. a

The President
World Bank
WASHINGTON

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Via delle Terme di Caracalla, 00100 - ROME

Cables: FOODAGRI ROME

Telex: 610181 FAO I

Telephone: 57971

Ref. G/X/DDF-26

17 March 1981

Appointment of FAO Representative in Uganda

The Director-General of the Food and Agriculture Organization of the United Nations has the honour to announce that as a result of the decision taken by the Sixty-ninth Session of the FAO Council, an agreement has been concluded with the Government of the Republic of Uganda for the establishment of FAO Representation in Kampala.

With the concurrence of the Government of Uganda, Mr. Robert Fanfant has been appointed as FAO Representative in Uganda with effect from 1 February 1981.

Mr. Fanfant, who is a national of Haiti, holds a B.Sc. in Agronomy from Laval University, Quebec, as well as a Specialist Degree in Land and Water Resources from the Universidad Rural, Brazil. After serving in private firms and in his own Government service since 1950, Mr. Fanfant joined FAO in 1964 as a Soil Survey Expert in Liberia, then served as Special Agricultural Adviser in Bamako. From 1975 until December 1979 Mr. Fanfant was Senior Agricultural Adviser/FAO Country Representative in Mali. *C.A. de*

The President
World Bank
WASHINGTON

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	FIELD PROGRAMME CIRCULAR		No. 3/81
	PROGRAMME UNDP	Cat. 2	DATE 19 January 1981
		SUPERSEDES 2/80	

Subject: UNDP Projects - Guidelines for the Budgeting of Experts, Fellowships and Reporting Costs

Originator: Programme and Budget Service, PBE (ODG)

Distribution: Division Directors
Operations Units
Regional Bureaux
Regional Representatives
FAO Representatives
Project Managers

cc: UNDP Resident
Representatives

1. The guidelines below are intended to assist all concerned with UNDP projects, either in the formulation of project budgets or in the implementation of projects. It is issued to show revised pro-forma figures for experts, fellowships and reporting costs and therefore cancels and supersedes FPC 2/80 of 23 January 1980. It is understood that whenever figures can be produced which are more accurate than the pro-forma figures listed below these should be used instead, e.g. by taking into account commitments against individual expert posts.

2. The guidelines follow UNDP/PROG/FIELD/77 of 31 August 1976 whereby Agencies were asked to develop their estimated actual or pro-forma costs for experts and fellowships and UNDP/MIS/FIELD/33 of 28 December 1976 for the reporting costs.

3. The following are brief explanations on budgeting for the three budget items in question:

A. Expert Costs

(i) Long-Term Expert Posts

... A revised Ready Reckoner for the budgeting of expert posts is attached as Annex I. Monthly pro-forma cost figures are provided by post adjustment class covering the years 1981-1985. The revised estimates reflect the consolidation of thirty (30) points of post adjustment into base salary approved by the UN General Assembly and the consequential revision of post adjustment indices. They represent the best possible estimate of expert costs in a given class and those for subsequent years and include an 8 percent inflation factor compounded yearly to cover all future cost increases. For the budgeting therefore of experts it would be sufficient to know the class in which a country is at the time the budget is prepared and stay within the relevant post adjustment column for the budgeting of future years' expert costs.

(ii) Consultants/Short-Term Posts

Due to the fact that the cost of consultants and short-term experts varies considerably for each different type of activity it is recommended that the figures given hereunder be used only when sufficient material is not available to enable more accurate costs to be worked out. To these figures DSA rates and travel costs should be added.

W/P1187

<u>Monthly rates</u> (Two months or more)	<u>Daily rates</u> (Less than two months)
Average \$2,400 - \$6,000	Average \$ 90 - \$225

B. Fellowships Costs

- (i) Fellowships' duration from 1 to 3 months
- | |
|-----------------------------|
| 1981 - US\$ 1,950 per month |
| 1982 - US\$ 2,250 " " |
| 1983 - US\$ 2,550 " " |
| 1984 - US\$ 3,000 " " |
| 1985 - US\$ 3,450 " " |
- (ii) Fellowships' duration over 3 months to 6 months
- | |
|-----------------------------|
| 1981 - US\$ 1,650 per month |
| 1982 - US\$ 1,900 " " |
| 1983 - US\$ 2,200 " " |
| 1984 - US\$ 2,500 " " |
| 1985 - US\$ 2,800 " " |
- (iii) Fellowships' duration over 6 months
- | |
|-----------------------------|
| 1981 - US\$ 1,250 per month |
| 1982 - US\$ 1,450 " " |
| 1983 - US\$ 1,650 " " |
| 1984 - US\$ 1,950 " " |
| 1985 - US\$ 2,250 " " |

Add for International Travel for each Fellowship

US\$ 1,500 - country of study within same continent
US\$ 2,500 - " " " in nearby continent
US\$ 3,000 - " " " in distant continent

- Notes: (a) For fellows training within home country or in institutions in neighbouring countries where residential facilities are available and/or special financial conditions apply, specify these in project document or budget accordingly.
- (b) For countries of study where the cost of living and training fees are known to be relatively low, the above figures may be reduced up to 30 percent.

C. Reporting Costs

The following are our guidelines for the budgeting of UNDP Project Reporting Costs (Object of Expenditure 52) where project reports are planned to be prepared in 1981:

Formal Reports (at the basic rate of US\$ 105 per 1,000 words)

Terminal Reports	- US\$ 2,500 (60x400-word page at US\$ 42 per page)
Technical Reports	- US\$ 3,800 (60x600-word page at US\$ 63 per page)

Informal Reports (at the basic rate of US\$ 70 per 1,000 words)

Working Papers, Consultant, Assignment Reports, etc., prepared at Headquarters	- US\$ 35 per page (of 500 words)
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Translation - US\$ 201 per 1,000 words

For reports to be produced after 1981, our guideline is to use the following figures, which have been calculated to include a 9 percent annual inflation factor and rounded to the nearest US\$ 100:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
Terminal Reports	US\$ 2,700	US\$ 2,900	US\$ 3,200	US\$ 3,500
Technical Reports	US\$ 4,100	US\$ 4,500	US\$ 4,900	US\$ 5,300

The charging of reporting costs to projects will be in two stages; an initial charge at the budgeted amount, and a year-end adjustment for all reports completed during the year for the difference between the initial charge and the actual cost.

The use of these guidelines for reporting costs is optional. Whenever the estimated actual cost is materially different from the guidelines amounts, e.g. because the number of pages planned is above or below the number shown in the guidelines, the best estimate should be used. However the eventual charges will be actual in every case.

UNDP/PAO
READY RECKONER FOR BUDGETING OF EXPERT COSTS IN UNDP-FINANCED PROJECTS - REVISION 4
Estimated actual cost per expert man-month
(in U.S. Dollars)

Post Adjustment Classification

		CLASS: INDEX:	7 85	8 90	9 95	10 100	11 105	12 110	13 115	14 120	15 125	16 130	17 135	18 140	19 145	20 150	21 155	22 160	23 165	24 170	25 175	26 180	27 185	28 190	29 195	30 200	
F-1	1981		3,090	3,140	3,200	3,260	3,330	3,390	3,470	3,550	3,630	3,710	3,800	3,890	3,990	4,090	4,190	4,290	4,400	4,500	4,600	4,700	4,800	4,900	5,110	5,260	5,420
VI	1982		3,130	3,180	3,240	3,300	3,360	3,430	3,500	3,580	3,660	3,750	3,830	3,920	4,010	4,100	4,200	4,300	4,410	4,510	4,610	4,710	4,810	4,910	5,120	5,270	5,430
	1983		3,170	3,220	3,280	3,340	3,400	3,470	3,540	3,620	3,700	3,790	3,870	3,960	4,050	4,140	4,240	4,340	4,450	4,550	4,650	4,750	4,850	4,950	5,160	5,310	5,470
	1984		3,210	3,260	3,320	3,380	3,440	3,510	3,580	3,660	3,740	3,830	3,910	4,000	4,090	4,180	4,280	4,380	4,490	4,590	4,690	4,790	4,890	4,990	5,200	5,350	5,510
	1985		3,250	3,300	3,360	3,420	3,480	3,550	3,620	3,700	3,780	3,870	3,950	4,040	4,130	4,220	4,320	4,420	4,530	4,630	4,730	4,830	4,930	5,030	5,240	5,390	5,550
	1986		3,290	3,340	3,400	3,460	3,520	3,590	3,660	3,740	3,820	3,910	4,000	4,090	4,180	4,280	4,380	4,490	4,590	4,690	4,790	4,890	4,990	5,100	5,210	5,320	5,430
	1987		3,330	3,380	3,440	3,500	3,560	3,630	3,700	3,780	3,860	3,950	4,040	4,130	4,220	4,320	4,420	4,530	4,630	4,730	4,830	4,930	5,030	5,140	5,250	5,360	5,470
	1988		3,370	3,420	3,480	3,540	3,600	3,670	3,740	3,820	3,900	4,000	4,090	4,180	4,280	4,380	4,490	4,590	4,690	4,790	4,890	4,990	5,100	5,210	5,320	5,430	5,540
	1989		3,410	3,460	3,520	3,580	3,640	3,710	3,780	3,860	3,940	4,040	4,130	4,220	4,320	4,420	4,530	4,630	4,730	4,830	4,930	5,030	5,140	5,250	5,360	5,470	5,580
	1990		3,450	3,500	3,560	3,620	3,680	3,750	3,820	3,900	3,980	4,080	4,170	4,260	4,360	4,460	4,570	4,670	4,770	4,870	4,970	5,070	5,180	5,290	5,400	5,510	5,620
	1991		3,490	3,540	3,600	3,660	3,720	3,790	3,860	3,940	4,020	4,120	4,210	4,300	4,400	4,500	4,610	4,710	4,810	4,910	5,010	5,110	5,220	5,330	5,440	5,550	5,660
	1992		3,530	3,580	3,640	3,700	3,760	3,830	3,900	3,980	4,060	4,160	4,250	4,340	4,440	4,540	4,650	4,750	4,850	4,950	5,050	5,150	5,260	5,370	5,480	5,590	5,700
	1993		3,570	3,620	3,680	3,740	3,800	3,870	3,940	4,020	4,100	4,200	4,290	4,380	4,480	4,580	4,690	4,790	4,890	4,990	5,090	5,190	5,300	5,410	5,520	5,630	5,740
	1994		3,610	3,660	3,720	3,780	3,840	3,910	3,980	4,060	4,140	4,240	4,330	4,420	4,520	4,620	4,730	4,830	4,930	5,030	5,130	5,240	5,350	5,460	5,570	5,680	5,790
	1995		3,650	3,700	3,760	3,820	3,880	3,950	4,020	4,100	4,180	4,280	4,370	4,460	4,560	4,660	4,770	4,870	4,970	5,070	5,170	5,280	5,390	5,500	5,610	5,720	5,830
	1996		3,690	3,740	3,800	3,860	3,920	3,990	4,060	4,140	4,220	4,320	4,410	4,500	4,600	4,700	4,810	4,910	5,010	5,110	5,210	5,320	5,430	5,540	5,650	5,760	5,870
	1997		3,730	3,780	3,840	3,900	3,960	4,030	4,100	4,180	4,260	4,360	4,450	4,540	4,640	4,740	4,850	4,950	5,050	5,150	5,260	5,370	5,480	5,590	5,700	5,810	5,920
	1998		3,770	3,820	3,880	3,940	4,000	4,070	4,140	4,220	4,300	4,400	4,490	4,580	4,680	4,780	4,890	4,990	5,090	5,190	5,300	5,410	5,520	5,630	5,740	5,850	5,960
	1999		3,810	3,860	3,920	3,980	4,040	4,110	4,180	4,260	4,340	4,440	4,530	4,620	4,720	4,820	4,930	5,030	5,130	5,240	5,350	5,460	5,570	5,680	5,790	5,900	6,010
	2000		3,850	3,900	3,960	4,020	4,080	4,150	4,220	4,300	4,380	4,480	4,570	4,660	4,760	4,860	4,970	5,070	5,170	5,280	5,390	5,500	5,610	5,720	5,830	5,940	6,050
	2001		3,890	3,940	4,000	4,060	4,120	4,190	4,260	4,340	4,420	4,520	4,610	4,700	4,800	4,900	5,010	5,110	5,220	5,330	5,440	5,550	5,660	5,770	5,880	5,990	6,100
	2002		3,930	3,980	4,040	4,100	4,160	4,230	4,300	4,380	4,460	4,560	4,650	4,740	4,840	4,940	5,050	5,150	5,260	5,370	5,480	5,590	5,700	5,810	5,920	6,030	6,140
	2003		3,970	4,020	4,080	4,140	4,200	4,270	4,340	4,420	4,500	4,600	4,690	4,780	4,880	4,980	5,090	5,190	5,300	5,410	5,520	5,630	5,740	5,850	5,960	6,070	6,180
	2004		4,010	4,060	4,120	4,180	4,240	4,310	4,380	4,460	4,540	4,640	4,730	4,820	4,920	5,020	5,120	5,230	5,340	5,450	5,560	5,670	5,780	5,890	6,000	6,110	6,220
	2005		4,050	4,100	4,160	4,220	4,280	4,350	4,420	4,500	4,580	4,680	4,770	4,860	4,960	5,060	5,160	5,270	5,380	5,490	5,600	5,710	5,820	5,930	6,040	6,150	6,260
	2006		4,090	4,140	4,200	4,260	4,320	4,390	4,460	4,540	4,620	4,720	4,810	4,900	5,000	5,100	5,200	5,310	5,420	5,530	5,640	5,750	5,860	5,970	6,080	6,190	6,300
	2007		4,130	4,180	4,240	4,300	4,360	4,430	4,500	4,580	4,660	4,760	4,850	4,940	5,040	5,140	5,240	5,350	5,460	5,570	5,680	5,790	5,900	6,010	6,120	6,230	6,340
	2008		4,170	4,220	4,280	4,340	4,400	4,470	4,540	4,620	4,700	4,800	4,890	4,980	5,080	5,180	5,280	5,390	5,500	5,610	5,720	5,830	5,940	6,050	6,160	6,270	6,380
	2009		4,210	4,260	4,320	4,380	4,440	4,510	4,580	4,660	4,740	4,840	4,930	5,020	5,120	5,220	5,320	5,430	5,540	5,650	5,760	5,870	5,980	6,090	6,200	6,310	6,420
	2010		4,250	4,300	4,360	4,420	4,480	4,550	4,620	4,700	4,780	4,880	4,970	5,060	5,160	5,260	5,360	5,470	5,580	5,690	5,800	5,910	6,020	6,130	6,240	6,350	6,460
	2011		4,290	4,340	4,400	4,460	4,520	4,590	4,660	4,740	4,820	4,920	5,010	5,100	5,200	5,300	5,400	5,510	5,620	5,730	5,840	5,950	6,060	6,170	6,280	6,390	6,500
	2012		4,330	4,380	4,440	4,500	4,560	4,630	4,700	4,780	4,860	4,960	5,050	5,140	5,240	5,340	5,440	5,550	5,660	5,770	5,880	5,990	6,100	6,210	6,320	6,430	6,540
	2013		4,370	4,420	4,480	4,540	4,600	4,670	4,740	4,820	4,900	5,000	5,090	5,180	5,280	5,380	5,480	5,590	5,700	5,810	5,920	6,030	6,140	6,250	6,360	6,470	6,580
	2014		4,410	4,460	4,520	4,580	4,640	4,710	4,780	4,860	4,940	5,040	5,130	5,220	5,320	5,420	5,520	5,630	5,740	5,850	5,960	6,070	6,180	6,290	6,400	6,510	6,620
	2015		4,450	4,500	4,560	4,620	4,680	4,750	4,820	4,900	4,980	5,080	5,170	5,260	5,360	5,460	5,560	5,670	5,780	5,890	6,000	6,110	6,220	6,330	6,440	6,550	6,660
	2016		4,490	4,540	4,600	4,660	4,720	4,790	4,860	4,940	5,020	5,120	5,210	5,300	5,400	5,500	5,600	5,710	5,820	5,930	6,040	6,150	6,260	6,370	6,480	6,590	6,700
	2017		4,530	4,580	4,640	4,700	4,760	4,830	4,900	4,980	5,060	5,160	5,250	5,340	5,440	5,540	5,640	5,750	5,860	5,970	6,080	6,190	6,300	6,410	6,520	6,630	6,740
	2018		4,570	4,620	4,680	4,740	4,800	4,870	4,940	5,020	5,100	5,200	5,290	5,380	5,480	5,580	5,680	5,790	5,900	6,010	6,120	6,230	6,340	6,450	6,560	6,670	6,780
	2019		4,610	4,660	4,720	4,780	4,840	4,910	4,980	5,060	5,140	5,240	5,330	5,420	5,520	5,620	5,720	5,830	5,940	6,050	6,160	6,270	6,380	6,490	6,600	6,710	6,820
	2020		4,650	4,700	4,760	4,820	4,880	4,950	5,020	5,100	5,180	5,280	5,370	5,460	5,560	5,660	5,760	5,870	5,980	6,090	6,200	6,310	6,420	6,530	6,640	6,750	6,860
	2021		4,690	4,740	4,800	4,860	4,920	4,990	5,060	5,140	5,220	5,320	5,410	5,500	5,600	5,700	5,800	5,910	6,020	6,130	6,240	6,350	6,460	6,570	6,680	6,790	6,900
	2022		4,730	4,780	4,840	4,900	4,960	5,030	5,100	5,180	5,260	5,360	5,450	5,540	5,640	5,740	5,840	5,950	6,060	6,170	6,280	6,390	6,500	6,610	6,720	6,830	6,940
	2023		4,770	4,820	4,880	4,940	5,000	5,070	5,140	5,220	5,300	5,400	5,490	5,580	5,680	5,780	5,880	5,990	6,100	6,210	6,320	6,430	6,540	6,650	6,760	6,870	6,980
	2024		4,810	4,860	4,920	4,980	5,040	5,110	5,180	5,260	5,340	5,440	5,530	5,620	5,720	5,820	5,920	6,030	6,140	6,250	6,360	6,470	6,580	6,690	6,800	6,910	7,020
	2025		4,850	4,900	4,960	5,020	5,080	5,150	5,220	5,300	5,380	5,480	5,570	5,660	5,760												



*With the Compliments
of*

Juan Felipe Yriart

*FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS*

Via delle Terme di Caracalla, 00100 – Rome, Italy

Cables: FOODAGRI ROME Telex: 610181 FAO I Telephone: 5797



FAO file 7.1

director-general's bulletin

DATE: 2 May 1980

No. 80/31

SPECIAL ASSISTANT TO THE DIRECTOR-GENERAL

On the termination of his present assignment after eight years of service as Assistant Director-General, Development Department, I have appointed Mr Juan Felipe Yriart as my Special Assistant.

In this position Mr Yriart will retain his rank of Assistant Director-General. As my Special Assistant he will inter alia undertake on my behalf tasks and special missions of a high policy nature.

Edouard Saouma
Director-General

DISTRIBUTION: Headquarters and regions (limited)
FAORs and project managers

W/N7132



OFFICE MEMORANDUM

7.1
~~AD~~
~~AH~~
~~RP~~
DY
EB File
(FAO)

TO: All Team Members
DDC

DATE: 23 December 1980

FROM: Cedric Fernando
Director, DDC

St.

SUBJECT: The World Bank and Technical Assistance Projects

Many World Bank loans, particularly under IDA, contain a component of technical assistance to carry out specific tasks usually requiring international rather than national expertise. At the same time, some loans have a UNDP project providing this component operating in parallel with loan disbursement.

The inhouse arrangements for these two types of World Bank-associated technical assistance are different. Whereas the UNDP projects are operated under the usual UNDP/FAO rules governing these projects, those funded from the loans are considered as unilateral trust funds, i.e. the funds are provided to FAO for expenditure in the country concerned.

... We have obtained from the three operations units lists of these two types of projects, which I attach for your information and examination. I would be grateful if you could notify me of any other FAO projects which might be of a similar nature.

Veraant
Washington
Information

BK 1/10

cc: Fernando (chron.)
DDC Reg. (2)

cc: Messrs Rowe (1)
Goffin (1)
Blaxall (1)
Van Gigh (1)
Golan (1)
Haynes (1)
Hendry (1)
Riley (1)
Mrs. Boskey (1)

PROJECTS EXECUTED IN COOPERATION WITH THE WORLD BANK

REGION: AFRICA

COUNTRY	PROJECT SYMBOL	PROJECT TITLE	DURATION	NTE	BUDGET
Central African Republic	CAF/75/015	Reinforcement des Services de Santé animale de la Zone Occidentale	3yrs	31.5.80	\$ 716,105
Lesotho	LES/77/009	Basic Agricultural Services Programme (inc UTF/LES/024/LES & GCP/LES/027/LES projects)	5yrs 6m	1.12.82	382,123
Tanzania	URT/78/015	Strengthening of Project Preparation & Monitoring Services	7yrs	31.6.85	3,544,040 (Cost Sharing)
	URT/78/016	Strengthening of Marketing Services	3yrs 6m	-	1,430,140
Upper Volta	UPV/75/015	Assistance Technique au Fonds de Développement Rural	4yrs	31.12.81	745,431
Niger	NER/77/003	Participation à la réforme/extension de l'IPDR à Kolo	4yrs 5m	1.12.81	2,392,456
Liberia	UTF/LIR/008/LIR	Assistance to Forestry Development Authority (funded from WB loan)	3yrs 6m	21.1.81	435,340
Upper Volta	UPV/78/004	Forestry Resource Development (assistance to WB loan)	3yrs 7m	-	710,934

PROJECTS EXECUTED IN COOPERATION WITH THE WORLD BANK

REGION: ASIA & PACIFIC

COUNTRY	PROJECT SYMBOL	PROJECT TITLE	DURATION	NTE	BUDGET \$
Burma	BUR/78/011	Rubber Rehabilitation	4yrs	31.3.83	688,624
	BUR/74/015	Livestock Production & Range Management	3yrs 5m	31.3.82	2,481,055
Bangladesh	BGD/74/018	Jute Seed, Research & Production (ASDB Executing Agency; FAO Partic.)	5yrs	30.11.82	(1,445,824)
Fiji*	FIJ/80/017	Hurricane Relief Operation			
Indonesia	UTF/INS/048	Agricultural Information & Extension	3yrs	31.12.81	767,100
	UTF/INS/055	Second Agricultural Training Project	3yrs	8.83	1,094,286
Pakistan	UNO/PAK/001/ESC	Third Education	2yrs	1.4.82	395,737
Thailand	THA/79/016	Bridging Assistance for Accelerated Rubber	2yrs 4m	1.7.82	624,360
	THA/79/018	Development Planning for Land Reform Areas	1yr 6m	1.6.81	144,160
Nepal	NEP/80/030	Community Forestry Development	5yrs	7.85	1,929,593
Burma	BUR/78/012	Forestry Fellowships & Training	3yrs	17.4.80	200,000
* No information on this project.					

PROJECTS EXECUTED IN COOPERATION WITH THE WORLD BANK

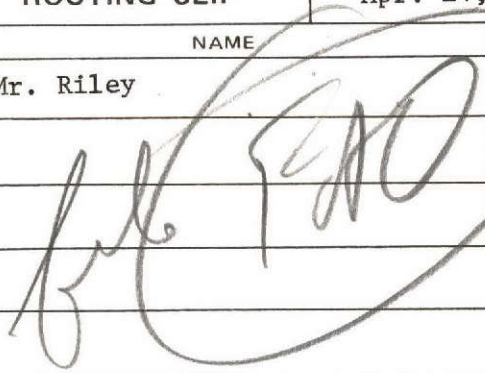
REGION: EUROPE & NEAR EAST

COUNTRY	PROJECT SYMBOL	PROJECT TITLE	DURATION	NTE	BUDGET
PDRY	UTFN/PDY/003/PDY	Technical Assistance & Training for IDA - Supported Projects	3yrs 6m	31.3.81	\$ 330,749
	UTFN/PDY/004/PDY	Technical Assistance to the IDA - Supported Wadi Hadramont Agricultural Project	3yrs	31.10.80	731,782
	UTFN/PDY/005/PDY	Technical Assistance to the IDA - Supported Wadi Tubun Project	4yrs	31.12.81	1,015,800
Turkey	TUR/77/029	Technical Advisory Support for Corum - Cankiri, Rural Development Project	1yr 6m	1.6.80	369.420
Portugal	UTF/PDR/001/PDR	Forestry Development (no information).			
Greece	GRE/78/003	Forestry Development and reafforestation (not yet approved)			

PROJECTS EXECUTED IN COOPERATION WITH THE WORLD BANK

REGION: LATIN AMERICA

COUNTRY	PROJECT SYMBOL	PROJECT TITLE	DURATION	NTE	BUDGET
Brazil	BRA/78/007	Integrated Rural Development - Lower São Francisco	4yrs 4m	1.10.83	1,541,713
Costa Rica	COS/79/001	Forestry Development Phase II	3yrs	30.4.83	880,040
Regional	RLA/76/010	Establishment of Latin American Aquaculture Centre (IDB funded project)	3yrs 6m	30.4.82	636,000
Brazil	UTF/	Technical Assistance to the SUDEPE/IDB Fisheries Development Programme (in preparation)			

ROUTING SLIP		DATE: Apr. 14, 1980	
NAME		ROOM NO.	
Mr. Riley		P721	
			
☐	APPROPRIATE DISPOSITION	☐	NOTE AND RETURN
☐	APPROVAL	☐	NOTE AND SEND ON
☐	CLEARANCE	☐	PER OUR CONVERSATION
☐	COMMENT	☐	PER YOUR REQUEST
☒	FOR ACTION	☐	PREPARE REPLY
☐	INFORMATION	☐	RECOMMENDATION
☐	INITIAL	☐	SIGNATURE
☐	NOTE AND FILE	☐	URGENT
REMARKS: Tuesday - Booked up Thursday - 300 mtr.			
FROM: M Veraart		ROOM NO.: D820	EXTENSION: 75320



FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

DDC REGISTRY

In Reply please mention our reference
and date of this letter

Via delle Terme di Caracalla, 00100 - ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref. CF 6/1 20th Session

APR. - 3 1980

APR. - 3 1980

00059

Dear Marius,

Pursuant to a specific request by the Twentieth Session of the FAO Conference, the Director-General has asked the Development and the Economic and Social Policy Departments of FAO to seek, collate and analyse data for the flow of aid to agriculture and rural development during the seventies. Special emphasis is to be placed in this study on technical assistance provided by the multilateral agencies, including the World Bank and the Regional Banks in support of food production and rural development programmes or as components of loans and credits in these sub-sectors.

Mr. B.S. Mahajan, Adviser, Special Development Subjects, is coordinating this study. He will be visiting New York from 9-15 April, after which he would like to visit the World Bank Headquarters in Washington for a couple of days to collect the relevant data pertaining to Bank operations as outlined in the attached checklist. He may also need to seek clarification as to the manner in which technical assistance is executed by the World Bank and the influence it has on the implementation of the Bank loans as well as on the build-up of national capabilities in the various fields.

Mr. Mahajan will telephone you from New York to ascertain the dates on which it would be most convenient for you and your colleagues to receive him in Washington.

With kind regards,

Yours sincerely,

Cedric

Cedric Fernando
Director
Investment Centre

Mr. Marius Veraart
FAO and IFAD Coordinator
Agriculture and Rural Development Dept.
World Bank
1818 H Street NW
Washington D.C. 20433
U.S.A.

Rec'd apr 14, 1980

ANNUAL WORLD BANK DATA FOR 1970-1979

1. Total Loans and Credits in the Agricultural Sector
2. Technical Assistance Components in loans or credits in the Agricultural Sector:
 - Consultant Services
 - Training Programmes
 - Feasibility Studies
 - Other
 - TOTAL
3. Loans or credits exclusively for Technical Assistance in the Agricultural Sector, disaggregated by countries, sub-sectors or types of activities, if feasible.
4. Project Preparation Facility (PPF) advances (number of operations and amounts by countries in the Agricultural Sector).
5. X UNDP-financed projects in the Agricultural Sector executed by the Bank (number of projects and amounts committed by UNDP), disaggregated by countries if feasible.
6. Technical Assistance extended to OPEC countries for agricultural projects on reimbursable basis.
7. Estimates of other technical assistance in agriculture not included under 2 - 6 above, e.g. FAO/IBRD CP project identification and preparation activities or agricultural sector analysis.

World Bank

1818 H Street, N.W.
Washington, D.C. 20433, U.S.A.



With the compliments of Mr. Vincent J. Riley
International Relations Department

via facsimile machine

Mr. Charles-Henri La Muniere

Director

Division for Policy Co-ordination and
Procedures

Bureau for Programme Policy and Evaluation

United Nations Development Programme

One United Nations Plaza

New York, New York 10017

FOR:
CHAS. LAMUNIERE

IBRD Expenditures on Cooperative Programs*
(US\$ Thousands)

FAO

UNESCO

WHO

UNIDO

FY 1965

1966

1967

1968 855

416

1969 1,172

530

1970 1,411

645

1971 1,729

747

1972 2,156

1,004

94

1973 2,520

1,130

232

15

1974 3,258

1,389

389

135

1975 3,050

1,222

454

269

1976 3,310

1,441

534

250

1977 3,414

1,356

624

217

1978 4,435

1,703

496

418

1979 4,797

1,763

831

440

Est 1980 4,923

2,264

1,053

443

* Representing the approximately 75% share of these expenditures which is financed by IBRD.

(9-78)		DATE:	
ROUTING SLIP		November 27, 1979	
NAME		ROOM NO.	
Mr. Riley		P 721	
file PTO			
APPROPRIATE DISPOSITION		NOTE AND RETURN	
APPROVAL		NOTE AND SEND ON	
CLEARANCE		PER OUR CONVERSATION	
COMMENT		PER YOUR REQUEST	
FOR ACTION		PREPARE REPLY	
INFORMATION		RECOMMENDATION	
INITIAL		SIGNATURE	
NOTE AND FILE		URGENT	
REMARKS: 1.1			
FROM: Maureen McDonald		ROOM NO.: E 812	
		EXTENSION:	



OFFICE MEMORANDUM

DATE: 25 October 1979

TO: Assistant Directors-General
Division Directors

Through: Juan Felipe Yriart *Juan Felipe Yriart*
Assistant Director-General, DD

FROM: Cedric Fernando *Cedric Fernando*
Director, DDC

SUBJECT: Reorganization of the Investment Centre

I would like to inform you of the recent reorganization of the Investment Centre. As you are aware, the increased priority given to FAO's investment support to the developing countries has resulted in a considerable strengthening of the Investment Centre over the last two years. The basic function of the Centre remains the same: to help countries identify and prepare investment projects for financing from multilateral and national sources. What has changed is the size of the division and the scope of its activities. As a consequence, some restructuring has been necessary so that the Centre can operate as efficiently as possible and respond effectively to the growing demand for its services from countries and financing institutions.

The Investment Centre, as its name implies, acts as the central point, the coordinating unit for FAO's activities in the investment field. The Centre, however, does not work in isolation. Its operations are heavily dependent on the technical divisions of the Organization for technical expertise, consultation and data essential for the formulation of investment projects. This dependence is increasing. During the last two years a great deal of effort has been made by all concerned to strengthen the links between the Centre and other divisions. This has resulted in a steadily increasing two-way flow of information of value both to the Centre and, I believe, to the divisions concerned. At the same time, more staff from other units are participating in Investment Centre missions. While I fully appreciate the difficulties of divisions releasing staff to join such missions, I am sure that they carry back to their normal activities added experience of the investment process and its objectives which can be of value to the substantive work of the division concerned. While thanking you for your cooperation, I feel that still closer working relationships could and must be achieved if the Organization as a whole is to become more investment oriented.

Finally I would like to remind you of the serious shortage of investment projects capable of attracting the funds of financing institutions. As you know, the Investment Centre in collaboration with FAO

CF/mm

cc.: Yriart (chron.)
Fernando (chron.)
DDC Reg. (2)

BK 1/1

divisions has begun the follow-up of selected FAO/UNDP projects with investment potential. This is one important way to expand the investment project pipeline, but there is also another way. I believe that the work of the Organization as a whole, both at Headquarters and in the field, offers an enormous reservoir of ideas for worthwhile investment projects which as yet has been barely tapped. Again I feel that both the Centre and other divisions could do more if more staff in the Organization as a whole were aware of the urgent need for project ideas. If you feel that it could be useful, I or a senior officer from the Centre would be very glad to come and talk to your staff on this subject.

... Meanwhile I hope that the attached summary information on the Centre will be of interest and will be helpful to your staff in making more frequent contact with their colleagues in the Investment Centre.

THE INVESTMENT CENTRE

Structure

The Investment Centre, with a multi-disciplinary staff of about 122 professionals, comprises two main units or programmes which have recently been organized in five services:

- the FAO/World Bank Cooperative Programme (CP) which is divided on a geographical basis into three services, and
- the Investment Support Programme (ISP), which is divided into two services. The ISP is responsible for Investment Centre activities with all financing institutions other than the World Bank; each of the two services deals with a group of these financing institutions.

... The Centre is managed by the Director and two Deputy Directors (one responsible for the CP and one for the ISP). The Director and Deputy Directors function as a policy-level planning and coordination team for the Centre as a whole. They are assisted by four Senior Advisors who work as an integrated group to advise the Director on policy matters pertaining to technical and operational problems, selection and training of staff, review and control of quality standards and liaison with other technical units of the Organization. The Centre has its own management support unit, with delegated authority for finance, budgetary and personnel functions. (Please see organization chart attached.)

The two programmes

The FAO/World Bank Cooperative Programme (CP) assists governments in the formulation of investment projects for financing by the World Bank and its concessional loan affiliate, the International Development Association (IDA). Some 83 FAO professionals (or 68% of Investment Centre staff) are assigned to this programme, costs of which are borne 75% by the World Bank and 25% by FAO.

The CP's three regional services match as far as possible parallel operational units in the World Bank:

- Service I: Europe, Near East, North and East Africa
- Service II: Asia and Pacific
- Service III: Latin America and West Africa

The CP mounted 158 missions in 1978 and 200 are scheduled for 1979. In 1978, 29 projects prepared earlier by the CP were approved for World

Bank/IDA financing. Their total costs amounted to \$3,626 million, supported by Bank loans and IDA credits of \$1,228 million.

Over the past years the CP has been responsible for the formulation of about one-third of all World Bank/IDA projects in agriculture. The aim is to keep up this proportion in the future, in spite of the doubling of Bank lending to agriculture, from \$12 to \$20-25 billion, planned over the next few years (1979-1983).

The Investment Support Programme (ISP) assists countries to formulate investment projects for financing by all financing institutions other than the World Bank. Special priority is given to the International Fund for Agricultural Development (IFAD). Some 38 professionals (32% of Investment Centre staff) work under the ISP. Main costs of the ISP are met by the Regular Programme but costs of missions are shared in varying proportions between the Centre and the financing institutions.

The ISP is divided into two services:

Service IV: International Funds and National Banks
(mainly IFAD, national development banks under the FAO/Bankers Programme and nationally funded development financing institutions)

Service V: Regional Banks
(mainly the African, Asian and Inter-American Development Banks, the Arab Fund for Economic and Social Development, sub-regional financing institutions and those development financing institutions funded from more than one country)

The ISP also carries out investment support work directly on behalf of governments or under the TCP. The latter is assigned to CP or ISP services depending on the financing institution likely to be interested.

ISP missions totalled 56 in 1978 and are expected to be more than 70 in 1979. In 1978, 13 projects identified or prepared under the programme were approved for financing. Total costs of these projects amount to \$190 million, including loans from financing institutions of \$98 million.

Other activities

Investment follow-up of UNDP projects - There is an increasingly urgent need to build up a pipeline of viable projects to attract financing institutions and to ensure that more UNDP projects executed by FAO result in investment. Under an agreement concluded with UNDP, initially

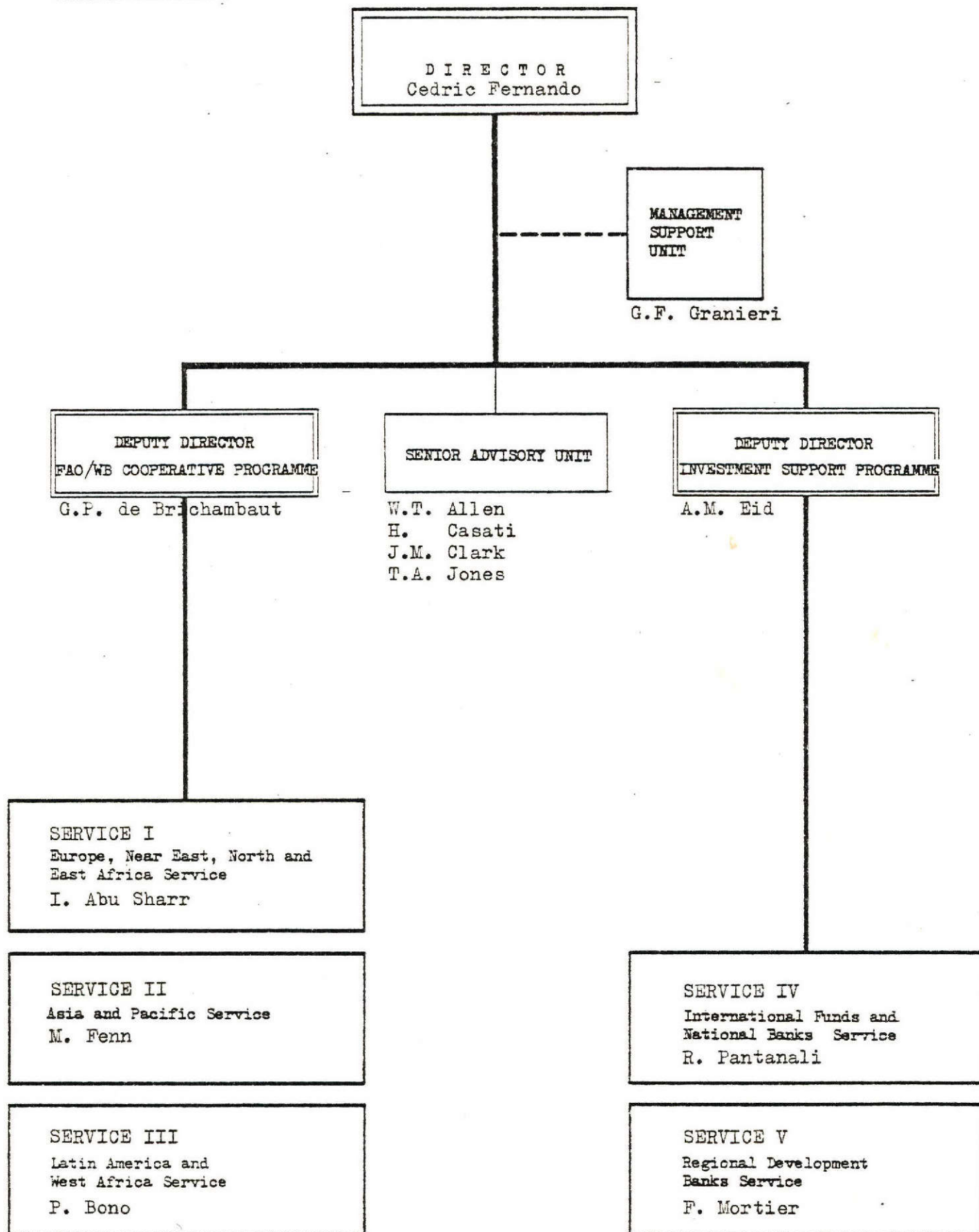
for 1979 and recently extended to cover 1980, the Investment Centre in collaboration with FAO divisions has begun to follow up FAO/UNDP projects with investment potential, with the objective of bringing them to the feasibility stage and ensuring the interest of potential donors and financing institutions. Efforts will be concentrated on about 25 projects per annum. Projects are selected in close cooperation with UNDP and the FAO operational divisions responsible for their implementation and monitoring, and with financing institutions which may have expressed special interest in them. This work is fully integrated into the Centre's programme of activities and involves the participation of all staff members, both CP and ISP, in the various disciplines as required.

Training - The Investment Centre also assists ESP in the formal training of staff in investment work and provides guidelines and case studies for this purpose. An important function of the Centre is the on-mission training it provides to national counterpart staff in the methodology of investment project preparation, with the objective of building up cadres of national staff able to identify and prepare projects themselves.

Studies - To synthesize the experience gained in its project work, the Investment Centre undertakes or commissions operationally oriented studies which aim to improve the methodology of project formulation. In cooperation with financing institutions, the Centre is currently engaged in a study to determine methods to shorten the project cycle, i.e. to reduce the often lengthy period of time between project identification and loan commitment. The Centre's guidelines for preparation of investment projects, covering almost every sub-sector, are used by countries and financing institutions and are continually up-dated.

ORGANIZATION CHART

INVESTMENT CENTRE



Information on Rome

7.1

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS



ARRIVAL IN ROME

- a few helpful hints

Prepared by the Staff Development and Training Group
Personnel Division
February 1979

W/L9726

ARRIVAL IN ROME - a few helpful hints

INTRODUCTION

Welcome to the Food and Agriculture Organization of the United Nations, better known to staff members simply as "FAO", to taxi drivers and Romans generally as "la FAO". Before going on to tell you what to expect during your initial period at FAO headquarters here in Rome we would like to stress that the success, or lack of it, of your various briefings and contacts must of necessity depend to a certain extent on you yourself. To help you with this, we have prepared this booklet. We hope it provides you with the basic information that will make your stay at headquarters both profitable and pleasant. During your stay you will meet your project operations officer, or subject-matter officer, your personnel officer, finance officer, group briefing officer, colleagues of various disciplines and many others. At least some of these, or so we hope, will become your personal friends. They have much to tell you and for those of you who have assignments overseas, you will find that many of them have years of experience in the field. They can warn you of the "do's" and "don'ts", the inevitable problems and pleasures of field project work. They can give you solid hard-won advice on how to make the best of your coming assignment.

But you too must do your part. Whenever you do not understand a point, large or small, speak out. Ask questions. And good luck!

How do I reach my hotel/pensione from the airport?

The Leonardo da Vinci airport at Fiumicino is quite a way from the centre of town and for those who come by plane there is an airline bus into Rome. The bus stops at the airline terminal at the Stazione Termini, the central railway station. There is a charge for this service and a ticket must be obtained from the ticket office at the airport. However it is a simple procedure and upon arrival at the central terminal you will find taxis at the entrance (use only the bona-fide taxis, which are YELLOW), to take you to your hotel or pensione. Should you wish to change money there is an exchange counter "CAMBIO" at both the airport and at the terminal.

Just a little word of warning! Do watch your luggage, camera, or handbag. Unfortunately, Rome like many other large cities, has its share of pickpockets and bag snatchers. So keep your eyes open and don't carry more money than you need. Be particularly way of bagsnatchers!

Then, how do I find my way to F.A.O?

FAO headquarters are situated at the intersection of Via delle Terme di Caracalla and Viale Aventino. There are two annexes a short distance away - but more about them later. The FAO telephone number is 5797 and the working hours are 08.30 to 17.30 in the winter and 08.30 to 17.00 hours in the summer (May to September). The working week is Monday to Friday.

How can I use the public transport?

Several buses and trams pass FAO headquarters and the fare is Lire 100 from any part of town. However, there is frequently no bus conductor, just a machine where you place your coin - so you must have the money ready. You mount at the rear of the bus or tram and descend either by the centre door or near the driver: press the bell button yourself to show you wish to descend. The destinations and bus numbers are indicated on a sign at the bus stop (some maps of Rome, which can be bought at newsstands, have the numbers of the buses marked in small figures along the bus routes).

Is there a Metropolitana (subway or tube)?

Yes, the metropolitana begins at the central station "Stazione Termini". However, its trains leave from a platform at a lower level to the central platform. It is not complicated to use as there is only one direct line from Rome centre to E.U.R. (Esposizione Universale di Roma) or, Ostia a small town on the coast approximately 35 kms. from Rome. The local metro. trains go to E.U.R., a modern residential suburb where many FAO people live. These trains run frequently and the standard fare is Lire 100 (it is necessary to have a Lire 100 coin to put into the turnstyle machine at the entrance to the platform). The local trains have "EUR" or "Laurentina" on the front indicator. (If they are going to Ostia they have "Cristoforo Colombo" or "C. Colombo"). The nearest station to FAO H.Q. is "Circo Massimo" and is in front of the FAO entrance. Most staff are in the buildings located on Via delle Terme di Caracalla. There are four wings A.B.C.D. and a small building at the back "E". Buildings F. and G. are annexes. F is at 426 Via Cristoforo Colombo, and G is at 26 via Del Giorgione, Piazzale del Caravaggio.

How can I reach building F?

There is a shuttle bus service between the main buildings and the annexes. The buses leave in front of building B and the first direct bus to F leaves at 8.10. The next one is at 8.30 and thereafter each $\frac{1}{2}$ hour until 18.00 *. (Should you get on the bus to G instead of the one to F it really doesn't matter too much - except for the first and last buses - all the others make a circular tour which includes both annexes).

The public bus number 93 (without the red oblique through the number) takes you to within three blocks of the main FAO complex and passes in front of building F. The metro. station of "S.PAULO" is a 15 minute walk away from F.

(* Remember that the summer working hours are 8.30 - 17.00) so some of the times quoted in this booklet should be modified accordingly.

How can I reach building G?

By the shuttle bus as described above. The first direct bus to G leaves in front of building B at 8.10hrs.: the next one at 8.45hrs. and each $\frac{1}{2}$ hour thereafter until 17.45hrs. Public transport passing near G is as follows: buses 91 (passes nearest) and 318 (quite near).

(the facilities available in building G include a branch of the American Express Travel Agency, and the Banca Commerciale Italiana - both of which are on the first floor).

Telephone prefixes to use when calling from one building to another

To call a 3 figure extension in building F (from any other building or from a 4 figure extension) prefix 7.

To call a 3 figure extension in building G (from any other building or from a 4 figure extension) prefix 9.

To call a 4 figure extension from any 3 figure extension use prefix 8.

When dialling extensions on the same exchange, no prefix is used.

Is there an internal telephone book I can consult?

Yes - all offices and the reception desks in buildings A,B,F and G have internal telephone directories which contain the names of H.Q. staff, the departments where they work, their telephone numbers and room numbers.

Some useful telephone numbers

For use in FAO

Emergencies:

Fire:	in main buildings	3333
	in F and G	333
Medical Services	(during office hours)	
Emergencies (special line)		3400
Main buildings (nurses)		3640
Building F	"	7-524
Building G	"	9-451 *

* if no reply call H.Q. main buildings.

Reception Desks

Building A	3533
Building B	3145/3501
Building F	4528/7-420/7-520
Building G	4416/9-464
for telephone information	3164 (Chief Tel.Operator)

For use in Rome city/from home, or from hotel:

Emergency assistance:	113
Ambulance - Red Cross	5565666
Ambulance - Green Cross	3669933
Night medical emergency	4750010/480158
Fire brigade	44441
Railway enquiries	4775
Police	4686 (ask for Ufficio Stranieri)

N.B. The FAO Medical Service has printed a very helpful little booklet entitled "A Guide to Medical Services in Rome", which will be very useful for staff whose duty station is Rome.

Emergencies : FAO has a "Duty Officer" roster of staff members who are on call for emergencies occurring during the weekend. If you are in need of assistance in an emergency situation, call 5797 and ask to speak to one of these "Duty Officers".

How can I use an Italian public telephone?

Public telephones are frequently found in bars. Money is not inserted into the telephone box. A small copper disc called a "GETTONE" is purchased from the cash desk - usually at the entrance to the bar, for 50 lire. The gettone is placed in a slot at the top of the telephone box. When the telephone receiver is lifted a slight buzz will indicate that it is functioning. Dial the number required and when the caller answers press the small button on the front of the telephone box so that the gettone drops. Only when the gettone drops will your caller hear your voice. There are some telephones which allow you to phone long-distance. If you use one of these for a LOCAL call, your gettone will drop immediately and you can communicate directly.

Which places are of interest to me in Buildings A.B.C.F. and G?

BUILDING A

David Lubin Library

Ground floor. One of the largest agricultural libraries in the world. The library is open during office hours and there is a reading room and trained personnel available to answer your questions.

Visa Office

Room number A-142. First floor. Hours 10.00-11.30 and 14.30 to 16.00. The Visa Office will help you obtain your UN laissez-passer, consular visas, and official travel documents. Telephone 4830.

Plenary Hall and meeting rooms

On first, second and third floors. See the FAO telephone directory, section "Quick Reference" for location, room numbers and names of the various meeting rooms.

Polish Delegates' Lounge

Ground floor - open only during Conference or Council meetings or specially arranged reunions.

BUILDING B. (ground floor)

Reception Desk: The guards will direct visitors, phone for a taxi, and contact staff members on request. Lost and found articles are also their responsibility (this applies to the reception desks in buildings A.B.F. and G.)

Banca Commerciale Italiana (B.C.I.)

The FAO branch of the B.C.I. is open from 8.30 to 13.30 Monday to Friday. The B.C.I. handles foreign currency transactions and offers normal banking facilities. Most FAO staff keep their accounts with the B.C.I.

American Express Travel Agency (AMEXCO)

Open from 8.30-12.00 and 14.00 to 17.00. This office arranges business and private travel, will reserve hotel rooms etc.

Post Office

Stamps, telegrams, parcels, letters, registered mail:	Mon.- Fri. 8.15 to 18.30 (all year)
	Saturday 8.15 to 12.00 <u>1/</u>
Postal orders, money orders, electricity/gas bills:	Mon.- Fri. 8.15 to 14.00
	Saturday 8.15 to 12.00 <u>1/</u>

1/ and the last day of the month.

Gift Shop

Monday to Friday 10.00-14.00 and 15.00 to 18.00

Photo and cassette/record shop

Monday to Friday 9.30-13.00 and 17.00-18.00

Newspaper Shop

Open during office hours. Newspapers and magazines on sale in several languages. Also maps of Rome and Italy. Useful information for visitors is printed in a small booklet "This Week in Rome" valid from Friday to Friday.

Lion Bookshop

A branch of the Lion Bookshop (which is in Via Del Babuino in town), is open from 10.30 to 14.00 Tuesday to Friday.

Paperbacked Books

This bookshop is open during office hours and a little after (9.00 to 18.00)

Commissary

Open from 10.00-13.00 and 14.45 -18.30 Tuesday to Friday
9.30-12.30 Saturday

Only holders of commissary cards can use the commissary. New staff members and field staff, see your Administrative Officer of your Division for information.

Italian Automobile Club

A representative of the Italian Automobile Club visits FAO for consultation on Mondays, Wednesdays and Fridays from 11.30-13.00. Room B0154.

C.A.S.A. (The Cultural and Social Association of FAO)

Advisory and Assistance Bureau : (housing problems, gas electricity and telephone contracts)

also using room B0154, but from 14.30 -17.00

General Information: B013 from 9.30 -13.30

Flights and Tours: B013 from 10.30 -13.30

Library (novels etc.) from 11.30 -14.00

N.B. For those of you who will be working in H.Q. look out for the C.A.S.A. gazette which publishes coming events, articles, reviews etc. It has a desk distribution once every two months.

FAO Bookshop

Open during office hours. UNESCO, UN and FAO publications are on sale here. The bookshop also sells subscriptions for the FAO magazine CERES. (FAO field staff are entitled to a discount on a CERES subscription). Tel. ext. 3915. B0119.

Insurance Offices

PRUDENTIAL Insurance: 8.30 - 12.00 (claims 10.30 - 12.00) Monday to Friday

LLOYD EUROPEO 9.00 - 13.00 and 14.00 to 18.00 " " "

Building B (first floor)Medical Unit

A rest room is available for emergency illnesses or accidents, and trained doctors and nurses are in attendance. (However, the medical unit is not a diagnostic centre). Injections and vaccinations/inoculations are given by appointment.

The Credit Union

Room B-114. Open from 9.00 to 13.00 Tuesday through Friday. The Credit Union provides facilities for staff to open savings accounts, and it makes medium and long-term loans to members, who must however, buy at least one share in the Credit Union. For further details of its terms, contact the secretariat Tel. 3666 or 4786 or 3556.

Restaurants and Bars

Buildings B and C 8th floor (there is also a bar on the ground floor in building A). In building B there is a bar (coffee, soft drinks, liquor), a self-service cafeteria and a restaurant also a small dining room, "The Indonesia Room". In building C there is a grill and a CASA lounge where coffee, drinks and snacks can be bought.

Document Distribution Service

If you wish to obtain a copy of an FAO document or publication you can go to the Distribution and Sales Section, room C 183, from 8.30 to 13.00 Monday to Friday.

Country Economic Reference Room

Building C, third floor. Room C311. The reference room contains country background information covering statistics, physical characteristics, population, education, history, political constitution and other matters such as health, housing, religion, information on the economy, the agricultural sector, food and nutrition, the non-agricultural sector, economic and social development and planning and foreign assistance. It is open during office hours and qualified staff are there to help you with any queries.

BUILDING F (Via Cristoforo Colombo)

Reception Desk

In the reception hall there are two telephones which can be used for internal telephone calls (remember to use the prefixes if you wish to phone other buildings). (Ask at the Reception Desk about articles lost or found).

Commissary

Ground floor. From 10.00 - 13.00 Tuesday to Friday 9.30-12.30 Saturday
14.45 - 18.30

See note on commissary in building B concerning commissary cards.

Bar and Self-Service Cafeteria

ground floor. The bar is open from 8.00 - 18.00 Monday to Friday. The Cafeteria from 12.00 to 14.30 Monday to Friday. The bar also serves sandwiches and snacks.

Banca Commerciale Italiana

ground floor. A small office of the main FAO branch. It is open for normal banking transactions from 8.30 to 13.30 Monday through Friday.

Post Office

ground floor. hours: 8.15 - 14.00 Monday to Friday
8.15 - 12.00 Saturday and the last day of each month.

American Express Travel Agency (AMEXCO)

ground floor (in front of the bank). Hours 8.30 - 12.00 and 14.00 - 17.00 Mon.-Fri.

Medical Service (first floor)

room F115. from 8.30 - 17.00. There is a rest room, and trained personnel. Injections and vaccinations upon appointment.

Staff Counsellor

room F113. Normal office hours. tel. ext. 419.

Photo "shop" (ground floor)

This is a service offered by the Manager of the Photo shop in building B, who comes over to F, each Monday Wednesday and Friday from 16.00-17.00hrs. Location is the desk at the bottom of the stairs to the right of the reception area.

Taxis

The Guards at the reception desk will call a taxi for you.

Insurance offices

PRUDENTIAL Insurance	8.30-12.00	Monday to Friday
LLOYD EUROPEO	9.00-13.00	" "

These offices are situated on the ground floor, opposite the Bank.

BUILDING G (26 Via del Giorgione, Piazzale del Caravaggio)

See page 2 first paragraph.

Briefing Sessions at Headquarters

There will be a group briefing session organized for you at headquarters (Tuesday, all day). Should your spouse wish to come with you, he or she is very welcome to attend.

FAO Staff Associations

There are three staff associations in FAO to represent the interests of the staff of FAO and WFP. They are:

The Association of Professional Staff	Room E022	telephone	3986
The Field Staff Association	"	C864	" 4037
The Union of General Service Staff	"	E016	" 3530

A FEW HINTS FOR YOUR SIGHTSEEING IN ROME (for those of you who have the time!)

A useful aid for "sightseers" is a little booklet entitled "This Week in Rome" (available in English and Italian) which you can buy at most newstands. The booklet lists museums and churches in Rome and the hours they are open to the public. You will see for example that some museums are open on certain evenings. The booklet also lists various entertainments programmed for the week - theatre, music, night-clubs etc.

HISTORICAL SIGHTS very near to the FAO buildings and well worth a visit are:

The Colosseum ... The Capitoline museums and piazza ... Trajan's market the ruins of the Terme di Caracalla the Roman Forum and the Palatine ... the church of St. Clemente (near the Colosseum and a very ancient church)... the basilica of St. Giovanni in Laterano.

Be careful to check on the "visiting hours" because they do vary from place to place.

ENTERTAINMENTS

For winter evenings. The opera season usually starts late in the year November/December and lasts until end of May. Tickets can be bought at the box office two days before the performances. The Opera House is not far from the Stazione Termini (Piazza Beniamino Gigli 1, - Via Viminale). Box-office Tel. 461.755. open from 10.00 to 13.00 and 17.00 - 19.00 weekdays: Sunday 10.00 - 13.00. Musical shows cabarets and symphony concerts are advertised in the Italian and English language newspapers.

During the months of July and August the open-air opera performances in the ruins of the Terme di Caracalla are well worth seeing. Tickets can be bought on the spot just before the performance (which usually starts at 21.00 or 21.30). Your pensione or hotel will certainly be able to find out the programme for you. Another musical event which is very popular during the summer months is the symphony concerts held two or three times each week in the ruins of the Basilica di Massenzio (near to the Colosseum). Again one can buy tickets just before the performance (usually 21.00 or 21.30) at the entrance to the Basilica.

TOURS

The FAO Cultural and Social Association (CASA) (see notes on page 4) can reserve for you and your family, seats on guided tours in and around Rome, i.e. a tour of Rome by night including a visit to a nightclub(s), or for those of you who have a day to spare, a tour further afield, say to Pompeii, or Capri or Florence.

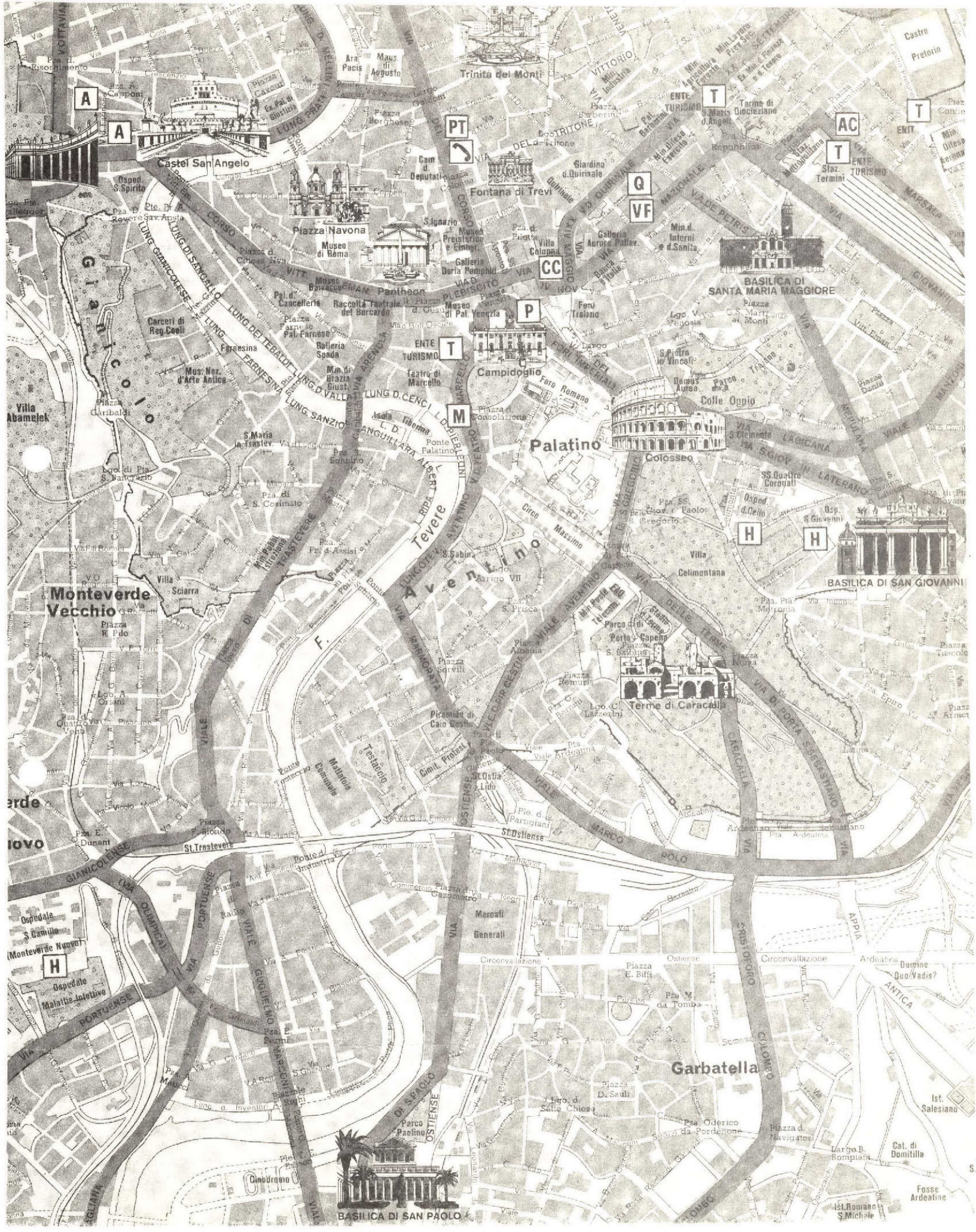
CINEMA

For those who like going to the cinema, there is a cinema which shows English language films each evening - normally films are dubbed into Italian. The cinema is called "Pasquino", address 19 Vicolo del Piede. The best way of finding it is to ask the way to Piazza Sta. Maria in Trastevere: the cinema is within two minutes walk of this piazza. Incidentally the church of Sta. Maria in Trastevere is well worth a visit to see its beautiful mosaics and decoration - if you visit it during the winter months in the evening it will be quite dark inside the church: in this case put 100 lire in the little machine to the right of the altar rail, and the mosaics will be illuminated for you.

The Goldoni theatre, address 4 Vicolo dei Soldati (see This Week in Rome for the programme) has plays in English from time to time and is a delightful small private theatre situated in an old palace in medieval Rome.

RESTAURANTS near to FAO

Should you wish to eat out in the evening or at mid-day there are several restaurants near to FAO. Most of them are very easy to find, and some are in the Viale Aventino within a few minutes walk from the main FAO buildings.



file
~~Secretariat~~

AFPE/Soc

18 July 1978

INFORMATION FOR DELEGATES ON FAO HEADQUARTERS
FACILITIES

Bells: Outside the Red Room bells will ring to call delegates to meetings.

Corridor Lights: Red lights located in the corridor outside the Red Room and in other parts of the building to indicate if a meeting is in session in the Red Room.

INTERPRETATION

Use of Equipment: To switch on the microphones in the Red Room - after having been granted the floor - press the button on the microphone base. DO NOT SPEAK UNTIL THE RED LIGHT SHOWS ON THE BASE. After use, the microphones are switched off from the control cabin.

In the Ethiopia Room, the microphones are switched on by pressing one of the two buttons on the base, which illuminates the RED LIGHT. The microphones, after use, must be turned off by pressing the other button.

In all rooms earphones are attached to a language-selector and volume-control panel. The selector should be set to the number corresponding to the chosen language and the volume-control rotated clock-wise for louder sound.

Users are requested not to place earphones near microphones and not to keep their earphones on when speaking since this creates interferences in the multilanguage interpretation circuits.

MEDICAL FACILITIES

In case of emergency, delegates may obtain assistance from the FAO Medical Service, Room B-162 (ext. 3640/3274).

Delegates' Lounge and Bar

The Polish Room (ext. 4299/4295), comprising a lounge, writing room and bar for delegates is situated on the ground floor of Building A. Refreshments will be offered during morning/afternoon breaks.

Lockers

Lockers for delegates are available on the ground floor of Building A. Lockers and keys will be assigned upon request by the usher on duty near the lockers. Keys should be returned at the end of a session.

Telephone Service

The FAO number is 5797. Telephones are automatic. Local telephone calls within the city of Rome may be made free of charge. To call a Rome number, dial "0" to obtain an outside line, wait for the external dial tone (a long and short intermitten signal) and then dial the required number. To call three-figure

.../...

extensions in Building F from any other building - use the prefix "7". To call three-figure extensions in Building G from any other building - use the prefix "9". To call four-figure extensions from any three-figure extension - use the prefix "8". When dialling extensions on the same exchange, no prefix is used.

Long-distance Calls

Official calls will be accepted by the switchboard and the relevant cost will be charged to the respective Organization. These calls can be made through individual offices, but delegates should indicate that the call is official and the name of the Organization to which the cost should be charged.

Personal calls may be booked only through the FAO Secretariat Office, Room A-362, extension 4880. Delegates will be required to pay in cash for private communications. The money due will be collected from callers immediately after the call.

Delegates expecting telephone calls during meetings are requested to inform the FAO Secretariat or the conference room messenger.

Cables

Official cables can be sent through the FAO Cable Room using cable form ADM 98 available from the FAO Secretariat Office. The form should bear an indication of the Organization to which cable costs are to be charged. Cable forms will only be accepted by the Cable Room if countersigned by the Secretary, FAO Staff Pension Committee or the Conference Officer.

Private cables should be sent directly through the Italian Post Office branch located in Building B (see below).

Postal Services

Private mail may be addressed to FAO. It should indicate the name of the meeting the delegate is attending so that it can be onforwarded to the JSPB Secretariat, Room A-362, or to the meeting room concerned.

Italian Post Office: A branch of the Italian Post Office is located on the ground floor of Building B and is open from 08.15 to 18.30 hours Monday through Friday and from 08.15 to 13.00 hours on Saturday.

Bank

There is an FAO Branch of the Banca Commerciale Italiana (BCI) on the ground floor of Building B. Opening hours are 08.30 to 13.30 Monday through Friday.

Travel Facilities

The American Express Company (AMEXCO) can arrange travel, hotel reservations, sight-seeing tours, theatre bookings and car rental. Its office in FAO is situated on the ground floor of Building B (ext. 3187, 3182, 3107, 4177, 4178 and 3300) and is open from 08.30 to 13.00 and 14.00 to 17.00 hours Monday through Friday.

Tours Bureau

The FAO Cultural and Social Association (CASA) (formerly FAO Staff Cooperative) runs a Tours Bureau, located to the right of the entrance to Building B, opposite the lift (Room B-013, ext. 4636). The Bureau arranges week-end trips within and outside the city. It is open from 09.30 to 13.30 hours Monday through Friday.

Local Guide

"This Week in Rome" is a local guide to public functions, sightseeing and entertainment, on sale every Friday at the Newspaper Stand (see below).

Lost and Found

Property lost or found should be reported to the Reception Desk, ground floor of Building B (ext 3145 and 3501).

Newspaper Stand

The stand is situated on the ground floor of Building B, in the right-hand wing entering the Building.

Gift Shop

CASA runs a Gift Shop, open to delegates, which is located on the ground floor of Building B, in the right-hand wing near the marble staircase.

Transport

- Car Park: Limited parking space is available near Building A, and is indicated by signs. Permits may be obtained at the time of registering from the FAO Secretariat Office.
- Taxis: Taxis may be ordered through the Reception Desk in the main entrance hall of Building B. Taxis called to FAO but not utilized are entitled to a tariff.
- Public transport services: These consist of the Underground (Metropolitana), buses and trams.

The Underground entrance for trains going citywards (Colosseo, Via Cavour, Stazione Termini) is on the side of Viale Aventino opposite FAO. The entrance in Viale Aventino on the FAO side is for trains going out of the city to EUR and the coast (Ostia).

The following bus/tram services pass by the main Headquarters buildings - along Viale delle Terme di Caracalla, Nos. 89, 90 and 118; along Viale Aventino, Nos. 11, 13, 18 and 27.

Building F

- Building F (Via Cristoforo Colombo No. 422) is linked to Building B by FAO shuttle-bus service leaving each building at regular intervals from 08.10 hours to 18.00 hours. A timetable is available from the FAO Secretariat in Room A.362.

- Building F is occupied by the Administration and Finance Department (left of Reception Desk) and the Fisheries Department and World Food Programme (right of Reception Desk).

- The following facilities are also available in Building F:

Newspaper Stand (left of Reception Desk)

Post Office (left of Reception Desk, beyond the newspaper stand. Open from 08.15 to 14.00 hours)

Travel Agency (AMEXCO) (left of Reception Desk). Open from 08.30 to 13.00 hours and from 14.00 to 17.00 hours).

Bar (behind the Reception Desk)

Cafeteria (behind the Bar. Open from 12.00 to 14.00 hours).

Building G

- Building G (Via del Giorgione No. 26 - Piazzale del Caravaggio, Palazzina 2B) is linked to Headquarters by FAO shuttle-bus service. Building G houses the FAO Development Department. Information is available from the FAO Secretariat in Room A-362.

Restaurants

- FAO restaurant and cafeteria: The restaurant is on the eighth floor of Building B and is open for lunches only from 12.00 to 15.00 hours. Tables must be booked by 12.00 hours on the day needed by phoning ext. 4268. Private dining rooms for groups are also available and must be booked at least 24 hours in advance. Bookings should be made through the FAO Secretariat. The cafeteria is also on the eighth floor of Building B and is open from 12.00 to 14.00 hours. The Bar adjacent to the cafeteria is open from 8.00 to 18.00 hours.

- CASA Bar and Lounge: Situated on the eighth floor at the far end of Building C, the bar and lounge are open from 07.00 to 19.00 hours. Draught beer, sandwiches, toast, etc. are available.

.../...

Nearby Restaurants in the vicinity of the main buildings:

- | | |
|-------------------------|---|
| APULEIUS | - Piazza del Tempio di Diana 15
Tel. 572160 - Closed on Sunday |
| AVENTINO | - Piazza Albania 4
Tel. 573877 - Closed on Saturday |
| LA VILLETТА | - Via della Piramide Cestia 53
Tel. 570597 - Closed on Wednesday |
| TAVERNA CESTIA | - Viale della Piramide Cestia 67
Tel. 573754 - Closed on Monday |
| PERILLI | - Via Marmorata 39
Tel. 573205 - Closed on Wednesday |
| IL MILIONE | - Via Marco Polo 57
Tel. 5745030 - Closed on Tuesday |
| ORAZIO A CARACALLA | - Via di Porta Latina 5
Tel. 771201-777339 - Closed on Tuesday |
| GLADIATORE | - Piazza del Colosseo
Tel. 733152-736276 - Closed on Tuesday |
| ALVARO AL CIRCO MASSIMO | - Via S. Teodoro 89 (corner Via dei Cerchi 53)
Tel. 6786112 - Closed on Monday |

General

For any additional information please contact Mr. P. Lässig, Conference Officer of the FAO Secretariat, Room A-362, extension 4880.

UNITED NATIONS
DEVELOPMENT PROGRAMME



PROGRAMME DES NATIONS UNIES
POUR LE DEVELOPPEMENT

ONE UNITED NATIONS PLAZA
NEW YORK, N.Y. 10017

TELEPHONE: 754-1234

CABLE ADDRESS: UNDEVPRO • NEW YORK

REFERENCE: PCO/FIN/2

30 September 1977

Dear Mr. Yriart,

1. This is in reply to your letter of 9 September.
2. In the Administrator's letter of 5 August to the Resident Representatives, a copy of which was sent to you, it is stated that annualized budgets included in approved project documents and revisions thereof represent the allowed expenditure authority for the Agencies. Inputs planned for 1977, in approved project budgets, but not delivered, may be carried forward for implementation into the following year provided that no revision of the relevant project is necessary for substantive reasons. We do hope, however, that the Agencies in preparing draft project budgets for the mandatory project revision exercise in 1978 will not routinely carry forward to 1978 the under-delivered inputs, but that the real need of each project in substantive terms, will be taken into account. I might add here that the instructions regarding project revisions have since been issued. I trust that this satisfactorily covers the points raised in paragraphs 2 and 13 of your letter. A reply to your cable relating to paragraph 11 has already been sent.
3. With regard to paragraph 3 you may be interested to note that total approvals during the period January-August of this year against the IPFs amount to \$296 million but cancelled/curtailed projects have reduced this figure to \$219 million. The figure for cancellations and curtailments is high because the aftermath of the financial difficulties is now being reflected in the project budgets as a result of the mandatory revision exercise. The mandatory revision exercise is still not complete but the approved budgets for 1977 amounted to \$312 million at the end of August and \$213 million for 1978.

/...

Mr. Juan Felipe Yriart
Assistant Director-General
Development Department
Food and Agriculture Organization
of the United Nations
Via delle Terme di Caracalla
00100-Rome, Italy

cc: Mrs. Shirley Boskey ✓
Director, Department of International Relations
World Bank
1818 H Street, N.W.
Washington, D.C. 20433

OCT 7 1977

RECEIVED

1977 OCT -6 PM 12:48

INCOMING MAIL UNIT

✓
10-6-77
12:48 PM
INCOMING MAIL UNIT
10-6-77
12:48 PM
INCOMING MAIL UNIT

4. Your paragraph 5 raises a complex issue. If each year we were assured of funds in accordance with the rate of increase envisaged by the Governing Council in approving the IPFs, it would be a simpler exercise to plan the utilization of our resources. In the absence of such an assurance we have to work with final yearly ceilings which can be established only on the basis of pledgings in November. At that time it is too late for the commitments to be fully translated into delivery in the following year. Therefore a balance has to be struck in setting the initial ceilings so that they are on the one hand not over-optimistic and on the other not so low that a large difference between the initial ceilings and the final ceilings will result in a much lower delivery than the resource availability for the coming year. Under the system of annual expenditure ceilings it is therefore essential to keep the budgets as realistic as possible if we are to avoid large carry-overs into future years and to keep delivery in line with resources. I cannot therefore stress enough the important obligation of the Agencies in keeping budgets realistic.

5. I recognize that, given the nature of our activities, even with realistic budgeting, there will be a gap between what we plan to spend and what we actually spend. Since UNDP's financial position is now stable, the Administrator has agreed that for each of the years 1977, 1978 and 1979 and depending upon individual country circumstances, the Regional Bureaux may authorize Resident Representatives to commit up to 10 per cent more than the ceilings in terms of approved project budgets to be able to spend what is planned. Since we are late into 1977, the Administrator has further agreed that the Resident Representatives may be allowed, if they cannot commit up to the 10 per cent in 1977 to apply any part or the whole of it to 1978 now, on top of the up to 10 per cent for 1978.

6. With regard to paragraph 8, the re-assignment of a Resident Representative should not normally result in a slowing down of approvals because the rest of the office must continue to function. It is true that after the freeze imposed during the financial difficulties, the number of movements has been large throughout UNDP so as to fill up all posts. In any case the normal period of assignment has now been established at four years and therefore in the future the number of movements should be much lower.

7. The submission of the Country Programme Management Plans is being monitored to ensure that they are submitted as foreseen (your paragraph 12 refers). We are pleased to note that they are considered useful.

/...

8. An item has been included in the PWG agenda to enable us to discuss programming and delivery.

9. Since the subject is of general importance I am sending a copy of this letter to colleagues in the other Agencies.

I.G. Patel

I.G. Patel
Deputy Administrator



RECEIVED
FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100-ROME

Ref. DP 1/4

SEP 16 1977
Cables: FOODAGRI ROME
☒ ACTION ☐ INFORMATION
TO MR
☐ Action Completed ☐ Acknowledged
☐ No Action Req'd. INITIALS.....

Telex: 61181 FOOD

ORG 130/3 FRO

SEP. 9 1977

Dear Mr. Patel,

1. I should like to acknowledge receipt of a number of communications received from you recently on the general question of resources, delivery, pipeline and problems in that connection, notably your two letters of 21 July, one of 4 August and one of 5 August as well as the general UNDP circular UNDP/PROG/59 of 12 July 1977, describing measures taken by UNDP to strengthen the position of the Resident Representative in project appraisal/ approval and in the monitoring of country programmes.
2. We are glad to see that preliminary country ceilings for the whole five-year period have now been prepared, and hope that it will not take long until final ceilings for 1978 are confirmed. In this connection, I should be grateful for your confirmation that savings, i.e. under-delivery, under the 1977 ceilings will be carried forward for implementation under the relevant projects in addition to the 1978 ceilings. I take it that this is your intention, but as the amounts in question will no doubt be very considerable, I should all the same be grateful to have specific confirmation from you.
3. I also appreciate receiving your views on the problems regarding delivery versus the pipeline as seen from your end, and note that UNDP is also concerned over the situation. In FAO we have been following developments with growing alarm. From the figures contained in Mr. Morse's note, transmitted under cover of your 5 August letter, it is confirmed beyond doubt that the problem is system-wide. It was news to us, however, that the total IPF allocations ("budgetary commitments") against the 1977 Action Plans amounted to only \$282 million as at the end of June. So late in the year this is of course an extremely low figure, compared to the \$385 million ceilings. On our side we have been following the situation of allocations issued to FAO and the other Agencies (referring to this and future years), as seen from the monthly reports received from UNDP Headquarters. Up to May (last report received) the monthly figures have been very small, although at the March/April PWG session some hope was raised that a turn for the better in the rate of allocations issued was to be expected as from the fourth month's report. In the material you have sent us a systemwide figure of \$142 million as per the end of June is mentioned. We earnestly hope that we shall be able to see at least a doubling of the average amount of monthly allocations issued over the rest of the year.

Mr. I. G. Patel
Deputy Administrator
UNDP
New York

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4. This brings me to a point that we have suggested in our earlier discussions, that by now it is too late to improve the delivery situation this year by means of an upswing in project approvals. At this stage, we have to face the fact that it is the 1978 programme delivery which is in jeopardy.

5. I should like to take up the question of programming within the limits of the country ceilings, as referred to in paragraph 5 of Mr. Morse's note. We certainly agree with the observation that action must now be taken without delay to ensure project approvals up to the levels of the 1977 and 1978 ceilings. However, apart from the time factor, I should like to question the system whereby the same monetary ceilings are made to apply to the planning as well as to the implementation. We recognise that with annual ceilings on the resource availability, there will also have to be annual ceilings on the resource expenditure (at least until UNDP has a solid Operational Reserve). However, in order to have anything like full delivery under the given monetary ceilings, the planning must aim well above those ceilings. Failure to recognise this fact, which is amply borne out by experience, will unavoidably result in under-delivery during one or two years which must thereafter be caught up with during the ensuing years. In other words, we are stuck precisely with what UNDP refers to as a "stop-go syndrome" in the second paragraph of its circular. You may be interested in examining this aspect - to see whether some adjustment could be undertaken in the arrangements governing the planning process without jeopardising your overall resource position.

6. We are happy to see that also the Resident Representatives have now been informed of the general situation and have been advised of the need to make a special effort to reach a satisfactory level of approvals and to catch up with arrears. We have had extensive discussions here in FAO recently to review the situation country by country, and to pinpoint bottlenecks and possible remedies. We are particularly happy to see from paragraph 6 of Mr. Morse's circular that you are now actively encouraging the Resident Representatives to consult also the Agencies concerned on project identification and preparation. We intend very shortly to take up with you the question of specific measures to meet the situation in some individual countries.

7. Apart from such concrete cases, there is in our programming and operations units a wide-spread concern over the general flow of project processing in the "upper layer" of the pipeline. This is the question you refer to in paragraph 5 of your 21 July letter, viz. our impression that some Resident Representatives may be too much influenced by a concern over the risk of having their country ceilings overspent. Also this particular matter has been discussed in our coordinating committee for the field programme. Although it is actually not always so much a question of deliberate acts in holding back on new approvals, we cannot escape the feeling that in general there has been a very considerable amount of sluggishness, varying from country to country, as regards the approval of new projects.

8. It is of course difficult on our side to judge the complex of causes and related considerations that in individual cases may have led to a slow-moving procedure, especially as FAO is but one of the Agencies involved in each individual country programme. We realise that it may be for the best of motives that some Resident Representatives have chosen to move with care, particularly in view of the crisis situation in 1975 and of the consequent injunctions made thereafter to stay within set funds limits. Our concern, however, and no doubt yours as well,

is that if a fair amount of hesitation about speeding up project approvals exists in a large number of countries individually, on a System-wide basis the effects will be compounded and will eventually result in an unacceptably low level of total delivery.

9. It has been suggested by our operations staff that another (part) cause of the looseness of the situation in many countries is an excessive turnover of Resident Representatives transferred from country to country. Without having checked this particular piece of information in detail, I should mention the allegation made here that in Africa alone there are at least 25 countries which over a time span of 12 months will have a new Resident Representative. Naturally, in the countries in question there will be need for the new Resident Representative to settle down, whereas his predecessor may not have had sufficient incentive to cement the programme for the future.

10. As regards the prospects for 1978, I understand that UNDP has recently expressed its interest in receiving from the Agencies already now, individual delivery forecasts. I must, however, in this connection again point out the relationship between project approvals/allocations and consequent delivery. As you observed yourself in your 21 July letter, the Agencies have had to reduce their original forecast for delivery in 1977. The reason for this is naturally the extremely disappointing situation as regards project approvals, continuing from 1976 into 1977, combined with a general uncertainty over the actual situation at the time when the forecasts were originally made, in its turn caused by the "mixed system" of multi-year project approvals and one-year Action Plans which then existed. As regards 1978, as amply illustrated by the figures given by yourself and in Mr. Morse's circular, we are in no position to give anything like a reasonable estimate for the year's delivery. If, as mentioned above, urgent and effective action to speed up project appraisal-cum-approval is not instituted on a general basis, it is to be feared that next year will be as bad or most probably even worse than this year. On the other hand, in the hope that action will be timely, there should be a reasonable possibility to turn the unfavourable trend. The actual total amount of next year's delivery will depend on whether the turn of the trend will occur in, say, February 1978 or in November 1978. You will bear with me when I say that this is as close as we can get.

11. We are naturally pleased to see that information has now been distributed to all concerned, the Agencies as well as the UNDP Resident Representatives, with advice that "the input specified in the approved Project Document constitutes the relevant authority for the Agency" to incur commitments and expenditures. In other words, we are now back to normal pre-crisis authorities for incurring commitments and expenditures against projects. (I have had occasion to cable you a few days ago on one particular aspect of this question.)

12. Also the measures introduced through your circular UNDP/PROG/59 to increase the authority of the Resident Representative to approve projects and project revisions, should in the long run have a beneficial effect on project delivery. In this connection I also welcome the fact that the Country Programme Management Plans are now to be revived after their factual discontinuance in the wake of the financial crisis.

You will recall that in a series of PWG meetings FAO has urged that these plans be re-instated, and we are confident that an effective monitoring from your Headquarters will now take place so that plans for all individual countries will be received twice a year as foreseen.

13. While on the subject of general guidelines I wish to take the opportunity to enquire about the issuance of the revised chapter of the UNDP Policy and Procedures Manual on Project Revisions. You will be aware that for some time this text is being worked only your colleagues in UNDP, and the opportunity was also taken to discuss it with the Agencies at the March/April PWG meeting.

14. I look forward to discussing some of the above matters further with you and our colleagues in the other Agencies, and assume that the forthcoming PWG will provide a good opportunity for a review of the situation. Because of the general interest in this matter, I take the liberty of copying this letter to our colleagues in some of the larger Agencies.

Yours sincerely,



Juan Felipe Yriart
Assistant Director-General
Development Department

THE WORLD BANK

ROUTING SLIP

DATE

8/29/77

NAME

ROOM NO.

Miss Blackman

P-721

APPROPRIATE DISPOSITION

NOTE AND RETURN

APPROVAL

NOTE AND SEND ON

COMMENT

PER OUR CONVERSATION

FOR ACTION

PER YOUR REQUEST

INFORMATION

PREPARE REPLY

INITIAL

RECOMMENDATION

NOTE AND FILE

SIGNATURE

RE KS

FROM

Antoine

ROOM NO.

W412

EXTENSION

6-1582

August 5, 1977

Mr. J.J. Miocinovic
Chief, HQ Programmes Section
Food and Agriculture Organization
of the United Nations
Via delle Terme di Caracalla
00100 Rome, Italy

Dear Mr. Miocinovic:

Since the inception of the Consultative Group on Food Production and Investment (CGFPI), we have followed the procedure of billing the FAO, for the cost of this Group, on an actual cost-incurred basis. However, our usual procedure under cost-sharing arrangements is to obtain reimbursement based on estimated quarterly costs.

To be consistent in the application of our accounting procedures, therefore, we submit the following proposal for your approval.

1. At the beginning of each fiscal year, we will submit to you an estimated budget projection for the costs of the CGFPI for the forthcoming fiscal year.
2. Based on this estimate, the FAO would then automatically submit its share on a quarterly basis, such payment to be made in advance of the first day of the quarter.
3. At the end of the fiscal year, the Bank would then prepare and submit to the FAO a detailed statement of actual costs incurred, supported by any documents you would require.

Such year-end statement would reflect the over-or under-payment made by the FAO, as appropriate. In the case of an under-payment, the FAO would then remit the balance due to the Bank. In the event of an over-payment, the Bank would refund such difference to the FAO.

We believe that the adoption of these procedures would greatly simplify the billing process for both the Bank and the FAO.

May we have your comments, please.

Sincerely yours,

Stanley J. Perch
Chief

Administrative Expense Division

cc and cleared with: Mr. E. Martin, CGFPI
Mr. V. Riley, International Relations
Mr. L. Jaurling, P and B
Files

file 7.1

August 20, 1976

Dear Mr. Pillay:

Thank you for your letter of August 6. I am very grateful to you for sending me a set of the papers presented at the Kyoto Aquaculture Conference and also the three reports from the regional workshops. I have circulated these to various interested parties here.

I sincerely appreciate being kept abreast of your activities and have noted with interest your own plans at headquarters.

Sincerely,



Leif E. Christoffersen
Assistant Director for
Rural Development and
Nutrition
Agriculture and Rural Development
Department

Mr. T.V.R. Pillay
Programme Leader
Aquaculture Development and
Coordination Programme
Department of Fisheries
FAO
Via delle Terme di Caracalla
00100-Rome, Italy

LEChristoffersen:jo'd

cc: Messrs. Yudelman, Veraart, V. Riley, Davis, Turnham o/r

Mr. Michael L. Hoffman

7.1
April 4, 1974

Vincent J. Riley

Review of FAO Field Programmes - August 1973

Juan Felipe Yriart sent me two copies of this. I have sent one to Yudelman.

If you are looking for a report that will tell you more than you ever wanted or needed to know about FAO field programmes (especially UNDP-financed activities) - here it is. It is a very good report - though not very exciting reading.

The report must have been written about a year ago. For example, its comments on "Country Programming" (pages 19-24) were very appropriate then - and are terribly outdated now. How quickly fashion and perspectives change.

Yriart suggests

Yriart suggests in his covering letter to Patel that "a discussion of some of the basic policy issues arising out of this document be placed on the agenda of the autumn session of the PWG". He also asks for my comment. At this point I am moved to little but banalities; maybe on a fresh reading I will be more stimulated (and less numb). I will ask Yudelman if he or his staff have any observations. Do you have any? Perhaps you would even like to be the transmitter of Bank comments.

I doubt any discussion at PWG in October can be very exciting or conclusive - mainly because to me the report presents not issues but conclusions, so generalized that few could disagree with them. Some agency experiences may differ on some points but I would find in this little indication that FAO is wrong - just that FAO experiences are not necessarily applicable to all projects of all agencies in all other fields - a claim FAO does not make.

One of the issues posed by Boerma in his foreword is the problem of rural unemployment and social injustice and the trade-off of efforts in this field with efforts to increase production. A couple of years ago Mr. McNamara suggested discussing such things at future IACB sessions - but nothing has happened (unless something came up at one of Peterson's "DCs-only" cocktail parties). In any case the normal representation at PWG is hardly qualified to address such issues.

VJRiley/eb

Mr. Montague Yudelman (Director, Agri. & Rural
Development Department)
Vincent J. Riley (Chief, Technical Assistance Division
International Relations Department)

April 4, 1974

7/

Review of FAO Field Programmes - August 1973

Attached is a report which I have received from FAO, together with the transmittal letter and a letter transmitting the report to UNDP.

As you will note, comments are requested. I would appreciate receiving by end-April any comments that you or your staff may have on the various issues raised.

If these "issues" are discussed at UNDP's Programme Working Group (PWG) meeting next October, would anyone from your department want to participate?

Attachment

VJRiley/db

ORGANISATION DES NATIONS UNIES POUR
L'ALIMENTATION ET L'AGRICULTURE



14 Feb 7.1
1007 to 1008
ORGANIZACION DE LAS NACIONES UNIDAS
PARA LA AGRICULTURA Y LA ALIMENTACION

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref.

MAR 25 1974

Dear Mr. Riley,

.... I am sending you two copies of the "Review of FAO Field
.... Programmes, 1972-73" with a copy of my covering letter to
Mr. I.G. Patel. I shall appreciate your comments on some
of the basic policy issues raised in the Director-General's
Foreword and Part II of the Review as well as on my sug-
gestion that some of these issues be discussed by the PWG
of the UNDP at its next session.

Yours sincerely,


Juan Felipe Yriart
Assistant Director-General
Development Department

Mr. Vincent J. Riley
Chief, Technical Assistance Division
Development Services Department
International Bank for Reconstruction
and Development
1818 H Street, N.W. S: 50
Washington, D.C., U.S.A.

APR 3 - 1974

1 copy of Report - Validation
1 " " " 100 files



FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref.

MAR 22 1974

Dear Mr. Patel,

....

I am sending you a copy of the "Review of FAO Field Programmes, 1972-73" which was prepared by our Evaluation Service for the Seventeenth Session of the FAO Conference. Several of the delegates who attended the FAO Conference had also attended one or more recent sessions of the UNDP Governing Council and gave enthusiastic welcome to the "candid and constructive tone" of this document. It was pointed out that FAO was unique amongst the UN organs in responding to the letter and spirit of Resolution 2975 (XXVII) adopted unanimously by the UN General Assembly in 1972, which underlined inter alia the need for comprehensive and problem-oriented documentation by each executing agency as a basis for the review and improvement of their field operations.

The FAO Conference has recommended that the lessons drawn from the synthesis of evaluation missions outlined in Part II of the attached document should be further examined by us in consultation with the donor agencies and the recipient countries with a view to applying these lessons effectively in the planning and implementation of field projects in future. Accordingly, we would like to suggest that a discussion of some of the basic policy issues arising out of this document be placed on the agenda of the autumn session of the PWG. If you concur with this proposal, we shall be happy to prepare a brief introductory paper to focus discussion on some of the more important policy issues of common interest to all members of the PWG.

I am sending copies of this letter and the attached Review to all members of the PWG as well as to some of your senior colleagues at the UNDP headquarters.

With kind regards,

Yours sincerely,

Mr. J.G. Patel
Deputy Administrator
United Nations Development
Programme, (UNDP)
United Nations
New York

Juan Felipe Yriart
Assistant Director-General
Development Department

MLF
EWB
AP
AG

March 26, 1974

Letter No. 13

Mr. Erich Becker-Boost
Director, UNIDO/IBRD Cooperative Program Unit
Office of the Executive Director
P.O. Box 707, A-1011
Vienna, Austria.

Dear Erich:

This is in response to your letter No. 30 of March 18.

The matters mentioned by you as being urgent have been dealt with as follows:

- 1) Our comments on your letter No. 16 of February 22 concerning industry sector studies are contained in my letter No. 11 to you of March 14;
- 2) the subject of an EDI staff visit to Vienna on their return trip from Bucharest is covered in Mr. Frost's letter to you of March 14;
- 3) our comments on your letter No. 20 of February 28 on the Pakistan Council of Scientific and Industrial Research are contained in Mr. Fuchs' letter No. 8 to you of March 12.

I certainly agree with you that it is advisable for all correspondence with UNIDO by Bank Group staff to be copied to you (as well as to me), and for you to be kept informed of visits to Vienna. It is my impression that this is generally understood by the units most concerned. In any case, I am sending a copy of this letter as a reminder to those units as well as to the persons mentioned in your letter.

Sincerely,

George Kalmanoff
Deputy Director
Industrial Projects Department

cc: Messrs. Fuchs, Moore, Cash, Dewey
Messrs. Gustafson, Ronald Powell, Renger, Sekse
Mr. Qureshi (IFC)
Messrs. Klaus Huber, Karaosmanoglu, Vincent Riley,
Stoutjesdyk, Tims

GKalmanoff:vlb



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DE LAS NACIONES UN

MAR 25 1974

Telephone: 5797

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gestion that some of these issues be discussed by the PWG
of the UNDP at its next session.

Yours sincerely,

Juan Felipe Yriart
Assistant Director-General
Development Department

Mr. Vincent J. Riley
Chief, Technical Assistance Division
Development Services Department
International Bank for Reconstruction
and Development
1818 H Street, N.W.
Washington, D.C., U.S.A.

APR 22 1974

1 copy of Report - Washington
1 " " " ~~100 files~~
Hoffman, to
be returned to me



FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref.

MAR 22 1974

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With kind regards,

Yours sincerely,

Mr. J.G. Patel
Deputy Administrator
United Nations Development
Programme, (UNDP)
United Nations
New York

Juan Felipe Yriart
Assistant Director-General
Development Department

UNDP General

Mr. Riley
FAO
X Coop. prog
file

December 22, 1971

Mr. Patricio Silva
United Nations Development Programme
United Nations, New York 10017

Dear Mr. Silva:

When we met on December 13 I promised to send you a copy of a guideline for project preparation for irrigation projects prepared by the FAO/IBRD Cooperative Program. I unfortunately had only one copy and am therefore sending you a xerox.

It was a pleasure to have met you and I look forward to further contacts with you in the future.

Sincerely yours,

Phillip Z. Kirpich
Special Projects Department

Enclosure

cc: Mr. V. Riley ✓

PZKirpich/emh

ORGANISATION DES NATIONS UNIES POUR
L'ALIMENTATION ET L'AGRICULTURE



ORGANIZACION DE LAS NACIONES UNIDAS
PARA LA AGRICULTURA Y LA ALIMENTACION

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref. BK 2/8

DEC. - 6 1971

Letter No 10389

Projects Dept. Correspondence

ANS'D BY _____

DATE _____

Bank involvement in pre-investment studies
in the forest industries sector

Dear Jim,

We mentioned to you briefly during your last visit our concern that there have been three cases recently, in Turkey, Ecuador and Malawi, where we understand the Bank has been requested to act as executing agency for UNDP-financed pre-investment studies of forest industries projects. We understand that a similar situation could arise in Mexico.

We questioned this development not only because the execution of UNDP projects of this type has in the past usually been the responsibility of FAO, but also because there is a danger that our own activities in Forest Industries where we have competence would be duplicated if the Bank also engages in it.

The Forestry Department of FAO told us that they want to take this up at the highest possible level. However, we have advised them that, before proceeding any further, we should attempt to clarify the situation through you as the best channel to indicate to the Bank's Industries Division the sort of cooperation which we can offer under existing FAO/IBRD/CP arrangements.

As our joint experience has shown over the last few years, it is quite practicable for the Bank to use FAO staff to supervise UNDP pre-investment studies and to ensure that these projects eventually produce a project which is in the shape the Bank requires for appraisal; examples are Madagascar Morondava, Nepal, Birganj, Afghanistan Kunduz, etc. What is usually involved is agreement between FAO and the Bank on the terms of reference for the studies, on the selection of consultants and on the agreed programme of work required to bring a project to a bankable stage in as short a time as possible, working to a timetable which fits in with the Bank's lending schedule. In carrying out this supervisory work, the staff of the CP rely for technical back-stopping on the appropriate FAO technical division.

...../

Mr. L.J.C. Evans,
Director, Agriculture Projects Department,
IBRD,
1818 H Street NW,
Washington D.C. 20433,
U.S.A.

DDC REGISTRY

In Reply please mention our reference
and date of this letter

In the case of the Forest Industries Sector, FAO as you know has a strong team of expertise and most of the staff of the Forest Industries Division have had considerable experience in pre-investment study work both in the public and private sectors.

In case the Bank is asked to become executing agency for UNDP forest industries projects such as Turkey, could it not take the initiative to suggest to UNDP and to the country concerned that the implementation of such projects and the responsibility for bringing them to a bankable stage should be left to FAO? The FAO/IBRD/CP could then be the channel through which to ensure that terms of reference, choice of consultants, the plan of operations, etc., are in accordance with Bank requirements.

The alternative to this would be for the Bank's Industries Department to recruit the necessary technical staff required to supervise UNDP-financed pre-investment studies.

Taking the Turkey proposal as an example, we note that consultants are to be employed to cover the following fields:

<u>Field of expertise</u>	<u>Man-months</u>
Permanent consultant (team leader)	10
Forest management	4
Logging	5
Forest inventory	5
Paper and pulp industry	6
Sawmill industry	3
Plywood industry	2
Pollution	4
Marketing (worldwide)	8
Marketing (regional)	<u>5</u>
Total	10/52 man-months
Contingency	<u>8</u>
Total man-months	<u>60</u>

As we understand it at the moment, the Industries Department would need to recruit a fairly comprehensive team of forestry and forest industries expertise in order adequately to supervise project preparation studies.

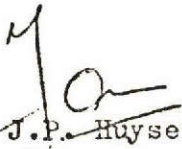
We would seriously question the desirability of building up within the international agency system two completely separate technical departments capable of carrying out the same task in the pre-investment field.

We would be grateful if you could represent these views on our behalf to Mr. Fuchs of the Industries Department in order to see whether we can in fact reach some informal understanding with the projects currently under consideration, i.e. Turkey, Ecuador and Malawi.

The Cooperative Programme has recently worked with the Bank's Industries Department on one project, i.e. Yugoslavia, and we believe that this project should have given them an opportunity to assess the way in which the Bank could make the most effective use of FAO experience in this field.

With best regards,

Yours sincerely,


J.P. Huyser
Director,
FAO/IBRD Cooperative Programme

April 30, 1971

Mr. Andrew J. Joseph
Chief, Asia and Far East Service
Food and Agriculture Organization
of the United Nations
Rome, Italy

Dear Mr. Joseph:

In your letter of April 14 you inquired whether you might receive copies of IBRD country economic reports direct from the Bank and listed 15 countries on which you would like to receive current and subsequent reports when issued.

As I pointed out in my letter of March 22, we wish to limit distribution of these reports for FAO use to the FAO/IBRD Cooperative Program and to the FAO Library so that they may be responsible for controlling any further release within FAO. We are quite willing to make additional copies of reports available to either of these two offices when they feel justified in requesting them on FAO's behalf, but we have carefully avoided commencing direct distributions to any other offices.

Accordingly, I must again suggest that you take up your requirements with Mr. Jan Huyser the Librarian.

I am sending a copy of this letter to Mr. Huyser for his information.

Sincerely yours,

HED
H. E. Dyer
Chief, Records and Communications Division

cc: Mr. Jan Huyser

Mr. Vincent Riley ✓

HEDyer/irg

March 22, 1971

Mr. Andrew J. Joseph, Chief
Asia and Far East Service
Area Service Division
Food and Agriculture Organization
of the United Nations
Rome, Italy

Dear Mr. Joseph:

I'm sorry it has taken so long for this office to send you a reply to your letter of January 21, 1971 to Mr. Vincent Riley requesting copies of IBRD country economic reports on countries in your area. Mr. Riley asked me immediately after receipt of your letter to let you have a reply. Please accept my apologies for the delay.

Copies of all IBRD country economic reports are sent both to the Director of the FAO/IBRD Cooperative Program and to the FAO Library for exclusive use of FAO staff. I'm sure you can get copies of the reports you need from one place or the other (except reports on Laos and Vietnam which have not been issued), but if you have any problems just ask either to let me have a request for another copy to be added to the distribution.

I hope you will understand that we prefer to limit our distribution of reports only to these entities in FAO so they may be responsible for internal distribution as necessary.

Again, my apologies for this belated reply.

Sincerely yours,

HED

Harold E. Dyer
Chief, Records & Communications Division

cc: Mr. V. Riley ✓

ORGANISATION DES NATIONS UNIES POUR
L'ALIMENTATION ET L'AGRICULTURE



ORGANIZACION DE LAS NACIONES UNIDAS
PARA LA AGRICULTURA Y LA ALIMENTACION

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref. DDAF -- BK 1/1

JAN. 21 1971

Dear Vince,

I understand that there is a move to make available to UN Agencies, in a less restricted way than hitherto, copies of the IBRD Current Economic Position and Prospects Reports on individual countries. If this be so, I would appreciate it very much if you could arrange to supply FAO (Asia and Far East Service) with one copy each of these Reports, for the countries listed in the enclosed schedule.

If there is some other authority in the Bank to whom this request has to be directed, please would you let me know. In any case, can you check whether the supply of these copies is at all possible.

If these reports can be supplied, please would you consign them, addressed personally to me and c/o FAO in Rome. I believe there is a weekly bag from Washington to Rome and you can doubtless despatch the reports to me by this means.

With kind personal regards,

Yours sincerely,

Andrew

Andrew J. Joseph
Chief
Asia and Far East Service
Area Service Division

Mr. Vincent J. Riley
Development Department
International Bank for Reconstruction
and Development
1818 H Street N.W.
Washington, D.C.
USA

orig sent to H. Dyson

Burma

Cambodia

Ceylon

China (Taiwan)

India

Indonesia

Korea

Laos

Malaysia

Nepal

Pakistan

Philippines

Singapore

Thailand

Vietnam

Form No. 84
(10-68)

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL FINANCE
CORPORATION

DEPARTMENTAL ROUTING SLIP			Date	
DEVELOPMENT SERVICES				
Mr. Billington			Mr. Perinbam	
Mrs. Boskey			Miss Powell	
Mr. Consolo			Mr. Riley	
Mr. Demuth				
Mr. Graves				
Mr. Hoffman				
Mr. King				
Mr. Martin				
DETACH THIS SLIP AFTER CIRCULATION SHOWN ABOVE.				

last 4 years

Miss Kumar

Latin Am.

Corp. per report

1 each projects

100. Kotta araffian

INTERNATIONAL FINANCE CORPORATION
PHONE CALLS AND VISITS

To <i>Kato</i>		Date
		Hour
☐ You were called	☐ You were visited	☐ Urgent
By <i>Mr. Veraart's</i>		
Of the <i>way</i>		
Phone		Ext. <i>3415</i>
☒ Call Party	☐ Returned Your Call	
☐ Will Call Again	☐ Requests Appointment	
Remarks <i>Re FAO Report</i>		
Received by:		

Miss. Vijaya L. Kumar
B.R., E.R.

Memo

Marius AS17
To Vroal
W

Vercaut's office will call
back,
Joe Kumar

Unep Reports

wants us to send
copies of all
IBRD/TAO coop. prog.
reports on projects
in Latin America
over the last four
years, 1966 thru 70.
can I pass that
request on to agriculture
dept?

Vercaut AS17
3415 Yes - But I think
they should

the MS was from FAO.
get them from FAO.
in which case we probably have
to get from Ag Dept their
consent to FAO's release
of Dir to VNDP

Mr. Marius Veraart

- 3415
A517

February 1, 1971

Vincent J. Riley

IBRD/FAO Cooperative Program Reports

We have received a request from the UNDP Bureau of External Relations, Evaluation and Reports, for one copy each of all IBRD/FAO Cooperative Program Reports on projects in Latin America covering 1966 through 1970. Can the Bank supply any or all of these reports?

~~Just Hold.~~
~~I know he's working on it~~
:cbh
Not able to comply
with request
Telephoned Miss Korman

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100-ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref. BK 3/1 sf 2
SF 4/1 Gen.

Projects Dept. Correspondence

Letter No. 80355

ANS'D BY _____

DATE _____

JUN. 18 1970

Dear Noel,

Enclosed are ten copies of the draft minutes of the last FAO/UNDP/Bank Annual Review Meeting, prepared by us. The verbatim report of this meeting will be sent to you by UNDP Headquarters in due course.

We would appreciate receiving any alterations you may eventually wish to make. However, if you have no comments to make on this paper, you can consider it as final.

Yours sincerely,

J.S. Spears
Chief, Operations, Planning and Coordination
Unit
Investment Centre

Mr. Noel McIvor
Deputy Director
Agricultural Projects Dept.
International Bank for Reconstruction
and Development
1818 H Street N.W.
Washington, D.C. 20433.
U.S.A.

*One ITR
Dir. Chis
Demoulin
Riley (DSD) ✓*

Approved

Coop. Prog.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT ASSOCIATION

OFFICE MEMORANDUM

TO: Files

DATE: March 25, 1970

FROM: J.P. Dumoulin

SUBJECT: UNDP/SF Requests and/or Projects-Bank Agriculture Projects
Department

1. Attached herewith is a list of UNDP/SF Requests and Projects in the Agriculture field which are being followed by the Bank and the FAO/IBRD Cooperative Program Team. This list supersedes the document previously issued on October 1, 1968.

- UNDP/SF Requests and/or Projects in the field of Agriculture of "Special Interest" to the Bank.

Attachments.

JPDumoulin:vo

Cleared with and cc.: Mr. J.B. Hendry

cc. Division Chiefs (Agriculture Department)
Cooperative Program Team (Rome) (12 copies)
Development Services Department (5 copies)
Messrs. Veraart, M. Piccagli, V. Riley, Miss E. Powell.

UNDP/SF REQUESTS AND/OR PROJECTS IN THE FIELD OF AGRICULTURE
OF "SPECIAL INTEREST" TO THE BANK

<u>Region, Country and UNDP Number</u>	<u>Request and/or Project</u>
<u>AFRICA</u>	
1. CHAD CHD-IFSI	Investment Feasibility Study of the Sategui Deressia (R)
2. ETHIOPIA ETH-11	Assistance in Strengthening the Awash Valley Authority (P) Phase II.
3. GABON GAB-6	Forest Development (P).
4. KENYA KEN-11	Range Management, Division of the Ministry of Agriculture and Animal Husbandry (P).
5. MADAGASCAR MAG-14	Agricultural Development of the Morondava Plain (P).
6. SOMALIA SOM-10	Water Control and Management of the Shebelli River (P).
7. SWAZILAND SWA-2	Survey and Planning of the Usutu River Basin (P).
8. TUNISIA TUN-18	Training Staff for Agricultural Education and Production, Tunis (P).
9. TUNISIA TUN-17	Experiments and Demonstration on the Production of Selected Tree Crops. Forage and Livestock (P).
10. TUNISIA TUN-30	North African College of Agricultural Engineering, Medjez el Bab (R).
11. UGANDA UGA-8	Development of the Beef Cattle Industry (P).
<u>ASIA</u>	
12. AFGHANISTAN AFG-20	Kunduz-Khanabad Irrigation Feasibility Study (P).
13. INDIA IND-55	Pre-Investment Survey of Fishing Harbors (P).

UNDP/SF
"Special Interest"

- 2 -

Region, Country
and UNDP Number

Request and/or Project

ASIA

- | | | |
|-----|---------------------|--|
| 14. | INDIA
IND-58 | Groundwater investigations in Madras State
(Phase II) (P). |
| 15. | INDONESIA
INS-18 | Land and Water Resources Development in
South-East Sumatra (P). |
| 16. | NEPAL
NEP-7 | Feasibility Study of Irrigation Develop-
ment in the Terai Plain (P). |
| 17. | PAKISTAN
PAK-29 | Second Hydrological Survey in East Pakistan
(P). |
| 18. | PHILLIPINES
PH-1 | Improving Irrigation Facilities through
Groundwater Development (R). |

EUROPE

- | | | |
|-----|------------------|---|
| 19. | CYPRUS
CYP-6 | Surveys, Demonstration and Planning of
Water Resource Utilization (P). |
| 20. | CYPRUS
CYP-13 | Feasibility Studies in the Morphou -
Tylliria and Limassol - Akrotiri Areas (R). |
| 21. | FIJI
UK-55 | Development of Rice Growing in the Rewa
River (P). |

LATIN AMERICA

- | | | |
|-----|---------------------|---|
| 22. | ARGENTINA
ARG-27 | Intensification of Animal Production,
Anguil (R). |
| 23. | BRAZIL
BRA-37 | Strengthening Applied Research and Training
in Animal Production in the Central Live-
stock Belt (R). |

JPDumoulin:vo

March 1970

UNESCO Comments on the Advisory Panel's recommendations
to the Administrator on UNDP activities in the
field of education and training

1. The general tone and direction of this paper reflect the position of UNESCO. It is a welcome improvement over the first paper prepared for the Panel; its content and philosophy are much closer to Unesco's thinking. The general approach is essentially geared to a system's overview of educational activities in order to determine which specific areas are most likely to produce change. This corresponds to what UNESCO had not only proposed but what its Director-General will submit to the 17th General Conference as approach which the Organization should follow in the years to come.
2. The comments which follow are addressed to specific issues in the paper which may either lead to misunderstandings or not be sufficiently clear to avoid confusion concerning terminology or concepts.

Comments

3. Paragraph 3 refers to the concept of "more efficient system". The notion of efficiency calls for clarification. Since efficiency often is used to refer to a purely quantitative concept, some reference to the concept of "relevance" is needed. Unesco considers the concept of relevance essential to the cultural and social function of education which cannot be divorced from its purely economic returns. If, in a growing society, one is concerned with optimizing human resources in order to ensure the ability to meet future changes, often unpredictable, of the nation's economy and society, then one ought not to limit oneself to the concept of "efficiency".
4. Paragraph 4. The last sentence of the paragraph refers to the restrictive effect of expenditures for education on investments for production. That statement might be misleading if it were to suggest that future increases in education by themselves would be diverting funds away from the productive sector. If education is to be revised as the Advisory Panel suggests, then the case can be argued that additional expenditures for a more relevant type of education should be incurred. Although in the past this additional expenditure may have had an adverse effect on production, a more conditional wording is suggested. Instead of the statement that these expenditures "have had a restrictive effect",

we suggest, "may, in certain cases, have had a restrictive effect".

5. Paragraph 5. Here, the word "inefficient" raises questions. It would be useful to resort to the concept of relevance and say that "The product of this effort on expenditures is inefficient in that the education offered was not relevant either to the cultural, social or economic objectives of most developing countries". The last sentence again relates to a quantitative concept such as "output". And more important, it refers to the "use" of the product of the educational system. To avoid any misunderstanding that the "use of output" refers exclusively to manpower demands, some additional words qualifying the concept of use should be included: we suggest at the end of the paragraph, "....without caring sufficiently about the absorption of the product of the educational system in the dynamics of the society and the production sectors".

6. Paragraph 6. The reference to the imbalance between rural and urban education, the regrettable consequences of which have been rightly underlined by the Advisory Panel, corresponds to Unesco's concern. One cannot but approve any effort aimed at the attenuation of obvious inequalities and the reinforcement and adaptation of rural and particularly agricultural education. One ought not, however, to lose sight of the fact that too deliberate an intention to "lock" the rural population in a rural environment might be in itself a form of discrimination. In fact, such an approach tends to view the rural population in the rural sector as if it were "condemned" one and for all to its traditional archaic "milieu". In fact, even the populations of the rural sector should gradually be given the means of comprehending a technological society not only in order to enable them to adapt themselves to a possible new milieu, but also to enable them to become the agents of change and modernization in their rural environment. It would be useful, therefore, to reconsider the wording of paragraph 6 which states that the "principal inefficiency" of the system is that education is not sufficiently concerned with rural and traditional culture. Likewise the statement to the effect that the population remaining in rural areas should be "equipped with schools which breed sympathetic understanding of

the values of rural society" should be revised along the lines suggested above. A possible redraft of the paragraph might run as follows: "The striking irrelevance of the system is that education has often been concerned too much with urban values and has not enabled the rural and traditional cultures to gradually gear themselves to the changes which will inevitably affect them. Any strategy of overall economic and social development demands proper assessment of the conditions under which shifts of population from rural to urban areas are likely to occur. An attempt should be made therefore to ensure that the population remaining for the time being in the rural areas be equipped with educational institutions breeding sympathetic understanding not only of their own values but also of technological changes and of the means and instruments with which these changes are likely to occur not only in rural areas but in urban life. Whilst it is impossible to forecast which proportion of the population is likely to remain in rural sectors, the whole population should be given the same means of comprehending the world of technology. This has not prevailed so far".

7. Paragraph 8. The last sentence refers to the fact that recommendations for educational improvement have "stressed specific and narrowly focussed reforms". This in itself is not necessarily reprehensible since, in many cases, "points of entry" to change may well be found in teacher training institutions, curriculum reform programmes or audiovisual techniques. One ought not necessarily to exclude such approaches but one should, as the paper suggests, but perhaps does not stress sufficiently, consider that reform ought to come subsequent not only to an overall diagnosis of the situation, but to a proper analysis of the most likely points of entry for change, those which in fact will engender a new configuration of educational systems. The beginning of the sentence therefore might be changed as follows: "Rather than dealing with the problem in terms of an evaluation of past trends and likely future developments, thus bringing out which 'points of entry' are most likely to produce change, recommendations for educational improvement have, in most instances, stressed...".

8. Paragraph 9. The penultimate sentence refers to the necessity of a "planning framework for a scrutiny of needs". Whilst this is desirable, it is not necessarily essential. If countries were to have a proper planning framework and thus institutionalize their human resources policy, this indeed would be the ideal instrument. In certain cases, however, what is required is greater coordination between the public and private institutions concerned with educational services. One ought to state therefore that the "scrutiny of needs presupposes the existence of some planning framework for human resources development including potential employment and forecast of economic development, but also a coordinating machinery ensuring that the various dimensions of society, be it employment, social mobility or occupational mobility, be fully represented".

9. Paragraph 12. We agree that UNDP and the Agencies can play an essential role and should in principle be able to draw up "a world reserve of brains". For the present, however, the machinery for recruitment and selection of international candidates, is quite inadequate to meet this objective. Some words might be added to the effect that recruitment procedures should be adapted in order to achieve such an aim.

10. Paragraph 13. The second sentence refers to the UNDP's responsibility to advise the governments with the assistance as required of the competent specialized agencies. We believe that in this overall approach to educational diagnosis and strategy definition Unesco has a unique role to play. We would request that a reference to Unesco's special responsibility be made in this paragraph.

11. Paragraph 14. We agree that UNDP should be concerned with national diagnosis, but it should also attempt to identify possible projects. UNDP would be remiss in its responsibility as a pre-investment agency if, as the second part to any diagnosis and strategy proposals, it would not recommend priority areas for possible investment. Any sector study should therefore be followed by an identification of possible areas for future investment. Therefore we suggest that, at the end of the first sentence and at the beginning of the second, the text be amended to read as follows: "UNDP should encourage and finance national diagnosis of education and training systems followed by proper

strategy proposals for action in the form of possible projects. Thus, indeed, it would buttress governments' efforts in the drawing up of national education development plans. Such diagnosis and priority action identifications require the involvement and then.....".

12. Paragraph 15. Whilst Unesco strongly supports the idea for the establishment and strengthening of centres for educational research and planning, the impression must not be left that these are the only instruments for change. In certain cases, bold and imaginative teacher training institutions, curriculum development centres, and training programmes for administrators, may well be those institutions which would need to be given full support as being the most likely agents for introducing change. A sentence could be added at the end of this paragraph suggesting that whilst the centres should ideally be responsible for this fundamental change, they should not be considered as the exclusive means for achieving change, and that existing institutions which may not cover such a broad range of activities as research and planning, may well serve the purpose.

13. Paragraph 16. Rather than merely speaking of pilot projects or innovative experiments, UNDP should frankly engage in "risk sharing". The words "experiments" and "pilot" may give the impression that the changes sought are of limited impact and are more to be considered as try-outs than real thrusts in the direction of "New Frontiers". What often inhibits governments from embarking upon structural and substantive reforms is precisely the fact that experiments, tests and pilot projects which may have been developed have rarely been seen in terms of economics of scale and measured in terms of their likely impact on a broader scale. Hence, rather than speak of "innovative experiments", let us speak of "innovations" as such and instead of speaking of "pilot experiments", let us refer to selective points of entry which are likely to generate most important and significant changes. This attempt to find the "spin-off potential" of certain activities may well result in selecting not necessarily new institutions but in buttressing existing ones which have imaginatively attempted to redefine the educational process.

UNDP can play a leading role in sharing the consequences of not only the selection and experiment with certain institutions or processes but also the broader application of results considered to be positive.

14. Paragraph 17. The concept of "field tests" may lead to some confusion. We suggest that UNDP involve itself not in "tests" which are limited in time, but, on the contrary, in "open-ended" actions which may well serve a greater dimension than the government itself had dared to strive for. This is a complement to the preceding paragraph where we suggest reference to the concept of "risk sharing". What has been lacking in the past has been awareness and acceptance of the time-frame within which changes take place. It is a well known fact that, in the field of education, a period of five to ten years is a minimum to see whether or not a new idea with roots developed by nationals of the country has any chance of survival. Unless UNDP therefore is prepared somehow to accept not only the risk in terms of the content but the risk in terms of time required for this new action, the chances of overhauling educational systems are greatly reduced.

SecM69-471

FROM: The Secretary

October 9, 1969

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COOPERATIVE PROGRAMS WITH FAO AND UNESCO

Attached for the information of the Executive Directors is a memorandum describing the operation of the Cooperative Programs with FAO and UNESCO during the past year.

Distribution:

Executive Directors and Alternates
President
President's Council
Executive Vice President, IFC
Vice President, IFC
Department Heads, Bank and IFC

COOPERATIVE PROGRAMS WITH FAO AND UNESCO

The Memoranda of Understanding on the Cooperative Programs were signed in 1964, setting out the basis for FAO/Bank and UNESCO/Bank cooperation on matters of common concern. The budgets for the Cooperative Programs are agreed in principle for a two-year period, since both FAO and UNESCO have biennial budgets; however, the Bank is not, of course, committed at any time beyond its own current fiscal year. The present agreement is for the Bank to assume 75% of the actual expenditures made under the Cooperative Programs.

Each individual operation undertaken under the Cooperative Programs, as well as the composition of the FAO and UNESCO Program teams, is subject to the Bank's administrative approval.

The FAO/IBRD Cooperative Program

In a memorandum of November 7, 1968 (R68-207) the President proposed to the Executive Directors that the total of expenses to be shared with FAO for work under the Cooperative Program in 1970 and 1971 (calendar years) should be US\$ 5 million, of which FAO would contribute \$ 1.25 million and the Bank would reimburse \$ 3.75 million. The Bank's administrative budget for fiscal year 1970 provides up to \$ 1,565,000 for estimated reimbursement to FAO on account of FAO expenditures under the Cooperative Program. This compares with actual expenditures of \$ 1,172,000 for FY 1969. At this date the Cooperative Program has 41 professional staff in post. By July 1970 this number will have increased to about 60. This increase is in accordance with recruitment phasing agreed during last year's Cooperative Program biennial budget discussions. It is also in keeping with the need for increased assistance to governments in identification and preparation of agricultural projects in order to meet the higher volume of Bank and IDA lending expected in the future.

During FY 1968/69, 259 missions were completed by the Bank or FAO in connection with the Bank Group's agricultural activities, as against 193 missions during FY 1967/68. Of these, 153 missions were carried out by the Bank alone, using Bank staff and consultants. The remaining 106 were completed under the Cooperative Program, an increase of about 8% over the previous year. Of the 106 missions carried out under the Cooperative Program, 81 were project identification and preparation missions, for which FAO was administratively responsible, as against 65 in FY 1967/68. In addition, FAO participated in 25 Bank-led appraisal, economic, supervision and technical assistance missions.

In the course of FY 1968/69, the Bank/IDA made 28 loans and credits for agriculture, compared with 13 in the previous fiscal year. At June 30, 1969, an additional 23 agricultural projects had been appraised and were in various stages of processing after appraisal, as compared with 20 on June 30, 1968. Out of this total of 51 projects, FAO assisted the Governments in the identification or preparation of 29. In the previous 12-month period FAO had given assistance on 14 out of 33 projects. At present, about 190 projects are in the pipeline at different stages of identification and preparation, and FAO is assisting Governments in nearly 50% of these.

Two years ago the Cooperative Program began to monitor an agreed list of UNDP projects for which FAO is executing agent and which are of potential interest vis-a-vis Bank Group lending. A system of continuous review is maintained which is intended to increase the number of UNDP projects that could be followed by Bank or IDA investment. In this context the third annual tripartite (FAO/UNDP/IBRD) review of the agreed list of projects was held in Rome in June of this year.

Assistance in the activities of the Cooperative Program by FAO regular staff from FAO divisions outside the special Program Team has continued during fiscal year 1969. Exchange of staff between FAO and our Agriculture Projects Department continues with the posting of one professional staff member in each of the respective headquarters. One FAO agricultural expert is attached to the Bank's Permanent Mission in East Africa.

The UNESCO/IBRD Cooperative Program

The volume of work under the UNESCO Cooperative Program increased sharply in the 1968/69 fiscal year. UNESCO led 13 project identification missions (against 4 in the previous year) and 7 project preparation missions (against 5 in the previous year). The number of reconnaissance missions in which UNESCO staff participated -- 7 in 1968/69 -- almost doubled. Bank/IDA lending for education projects amounted to \$ 81.8 million in 10 member countries in fiscal 1968 against \$ 24.5 million in 5 countries in the previous fiscal year. This increase was possible partly because of the assistance given by UNESCO to member governments in project identification/preparation work.

Close cooperation and harmonious relations between Bank/IDA and UNESCO were maintained throughout the last fiscal year. Frequent consultations between the two institutions were held at various levels and covered a wide area of activities, including periodic review meetings to coordinate mission planning, discussions on appropriate project identification and preparation guidelines to meet the demands of the increased workload, and "workshop" meetings among the economists and architects of both institutions to help develop common criteria and techniques for the evaluation of project priorities and appropriate school-building standards.

To cope with a larger and more diversified volume of work expected under the Cooperative Program this year, the Bank has agreed to a UNESCO request for an increase of 6 in the professional staff of UNESCO's Educational Financing Division. This will bring the strength of the Division to 29 by December 31, 1969. To cover its share of the Program's increased operating costs, the current budget provides that the Bank will reimburse UNESCO up to a maximum of \$ 866,000 in the 1969/70 fiscal year, as compared with actual reimbursements of \$ 530,000 in 1968/69. With the additions to its staff, the UNESCO Educational Financing Division should be in a position

to undertake about 16 project identification and 16 project preparation missions a year and to increase its participation in the reconnaissance and economic missions organized by Bank/IDA. With greater emphasis in Bank/IDA lending on educational innovation and reform and the development of modern teaching technology at various levels, the planning and implementation of education projects may require a greater amount of technical assistance than in the past, to be financed in appropriate cases by Bank/IDA. Participation by UNESCO and other suitable agencies in this activity is also expected to increase in the course of the next few years.

Agricultural Education and Training

Contribution by FAO to identification and preparation of agricultural education and training projects continues to expand. Assisted by Bank/IDA personnel, FAO staff led two project preparation missions during the 1968/69 fiscal year. They also participated in 6 missions (same as in the previous year) led by UNESCO or by Bank/IDA. There are, at present, 3 specialists in the IBRD/FAO Cooperative Program, who are assigned to work on agricultural education and training projects.

Office of Director, Projects

September 26, 1969

ROUTING SLIP

Date

DEC 16 1969

NAME

ROOM NO.

~~Mr. Demuth~~

~~Mr. H.~~

~~W. P. B.~~

W. P. B.

Sp.

To Handle

Note and File

Appropriate Disposition

Note and Return

Approval

Prepare Reply

Comment

Per Our Conversation

Full Report

Recommendation

Information

Signature

Initial

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REMARKS

This indicates the kind of Sector Study guidelines likely to be annexed to the General Guidelines.

From

~~W. P. B.~~

BANK/UNESCO COOPERATIVE PROGRAM

Fourteenth Review Meeting

A review meeting was held in Washington from October 9 to 16. Messrs. van Vliet, Moller and Lourie from Unesco and Messrs. Ballantine, Calika, Hultin and Fennell from the Bank were present.

AGENDA

ITEM

SUBJECT

- I. Sector Studies and Pre-investment Study Programs.
- II. Review of Mission Procedure.
 - (a) Unesco participation in appraisal missions and Bank participation in Unesco PIM missions.
 - (b) Post-project evaluation or end-use supervision missions.
- III. Arrangements for Technical Assistance under Bank/IDA Financing: Ecuador.
- IV. Permanent Missions in Africa.
 - (a) Terms of reference and scope.
 - (b) Abidjan post.
- V. Manpower Data for Budget Preparation.
- VI. Operations - Mission Schedules, etc.
 - (a) October through December 1969.
 - (b) January through June 1970.
- VII. EFD Staffing Proposals.
 - (a) Manpower levels of Education Financing Division.
 - (b) Review of candidates.
- VIII. Administrative Matters.
 - (a) Secretarial assistance for EFD missions.
 - (b) Reimbursement for miscellaneous missions expenses.
 - (c) Number of copies of EFD mission reports.
 - (d) Weekly confirmation of mission status.
- IX. Education Indicators.

Item I. SECTOR STUDIES AND PRE-INVESTMENT STUDY PROGRAM

New Methods of Formulating Bank's Lending Program

1. The purpose of the Bank's expanded country program papers was to provide a more comprehensive basis for planning future lending programs. They would combine the breadth of the Area Departments' knowledge (increased by more frequent economic missions) with the depth of the Project Departments' understanding (increased by new sector studies). The new approach would imply not only more intensive work in the Bank, but also closer relations with other U.N. Agencies. The Bank would continue to be the agency principally responsible for macro-economic analysis. The intensified study of inter-sectoral and intra-sectoral priorities would lead to a more rational design of the Five-Year Lending Programs.

Sector Studies

2. Sector studies would in time be the principal jumping-off ground for the Bank's lending program. It was, therefore, essential that the purpose, the method of conducting such studies, and the way in which they were to be staffed should be given close attention. The forthcoming mission to Thailand would be an important opportunity to test out and improve the techniques for sector studies.

Purpose of Sector Missions

3. The objectives of education are often stated in terms of the existing formal school system, e.g. introduction of universal primary education. However, the system should be regarded as a means to an end. The end in view might be to produce a population better fitted by training and education to attain national economic and social targets. Thus "educational maturity" might be described in terms of minimum skills required to enable the various levels and ages of the working population to make the maximum contribution to economic and social development. While the aim was not to produce a list of job skills, the general objectives of education might be distilled by approaching the problem along these lines.

4. The strategy for education development should make provision for existing partially-trained and untrained manpower which would be important in the development of the country for a number of decades. The strategy would be dynamic in the sense that changes in emphasis would occur as the national economy and social structures developed. It was essential therefore that objectives of education development, while being positively identified, should not be regarded as immutable.

5. In view of the comprehensive approach of a sector study mission the country should be given guidelines well in advance of the mission's arrival. It could then have an opportunity to review its existing plans,

some of which might be identifiable in legislation and government policy declarations, to prepare its counterparts within and outside the education sector, and to collect data for the mission's arrival.

Method of Work

6. Having analysed the national objectives for long-term educational development, the mission would proceed to evaluate the means of achieving the targets. Such evaluation would require the manipulation of a variety of inputs (i.e., existing and projected financial and manpower resources), to produce differing outputs phased over differing time spans. Analyzing the interaction of different sets of factors would reveal how the objectives could be attained by a specific target date. Financial constraints (e.g., the estimated growth rate of government revenue available for education and training) or limitations of manpower might necessitate postponement of the target dates, reconstruction of the objectives, or changing emphasis towards nonformal education. The mission would aim to arrive at the country's preferred alternative strategy while in the country. This strategy would result in a broad spectrum of phased priority projects, some of which might be sufficiently defined to be suitable for early investment.

The Pre-Investment Study Program

7. The broad approach outlined above would reveal certain deficiencies in information and policy formulation which would constitute proper subjects for the pre-investment study program within the education sector and outside it. Such studies might include the collection or analysis of additional data (for example, population distribution and density) as well as studies to formulate policies more precisely in a "sub-sector" (e.g., adult education and training). The pre-investment study program would focus on the government's need to develop its overall strategy for educational development and investment. Subjects, however interesting in themselves, which did not relate to this purpose would not be included in the program.

8. The UNDP and other agencies which might conduct pre-investment studies were one side of a four-sided relationship, comprising also the country, Unesco and the Bank. There was some concern that delay in the execution of an important pre-investment study could lead to a delay in the implementation of the lending program. Such a risk existed but it was likely that a sector study would identify in most countries projects on which preparation and appraisal could proceed.

Composition of a Sector Study Mission

9. The new and widened approach to education and training implied by a sector study would affect the composition of the mission. The composition could best be determined by dividing the area for study into three separate but interrelated parts:

- (1) The financial, economic and social constraints on the sector.
- (2) The internal efficiency (including management, structure and learning technology) of the sector.
- (3) The external productivity of the sector.

These subjects would be examined in the context of economic and social changes which were occurring or expected to occur in the country. The mission could therefore not ignore such factors as population growth and movement, urbanization, changes in rural and urban labor requirements, and developments in industry and commerce.

10. A mission competent to examine the different parts of the sector and the overall context could consist of:

- (1) Economist and human resources expert - who would assess the financial and economic constraints and the external productivity of the sector.
- (2) General educator - who would have sufficient experience to assess the management patterns, structure of the present system of formal education.
- (3) Agriculturalist - who would concentrate not only on the need for agricultural training and education but also on the requirements of the agricultural sector.
- (4) Specialist in Industrial, Commercial and Management Training - who would have broad enough experience to relate the needs of industry to the output of the whole education and training system.

In addition, it would be necessary for one member of the mission to be competent to assess, on the one hand, the impact of changes in the education sector upon the social structures and, on the other, the social constraints which innovative techniques in education and training (both formal and non-formal) would encounter. It was likely that such a person would have specialized training in social anthropology.

11. Clearly a mission with this composition could not provide the total expertise necessary to analyze all the education and training objectives of the country. It would sometimes be necessary to call for the help of other specialized agencies (i.e., ILO on training or FAO). Such assistance might be in the form of additional members of the mission or in expert advice on return to headquarters. In the use of new media (program learning, ITV) for example, in the education system and beyond it, it would be useful to arrange

for technicians to participate in the briefing and de-briefing of missions. The introduction of such diversity implied the risk of losing control of the main thrust of the mission and it was important to find a practical way to associate effectively with other agencies while retaining the leadership of the Unesco Educational Financing Division.

Mission Preparation

12. In addition to calling on experts in specialized fields before and after the mission, it would be necessary for the mission by desk studies, etc.:

- (1) To evaluate existing material available prior to its departure;
- (2) Obtain from other agencies relevant material on developments in other sectors (i.e., the W.H.O. might have information on the growth of medical services and related training schemes);
- (3) To evaluate the effectiveness of completed projects which might have been financed by national, bilateral, or international means. This type of study would give the mission some idea of the country's performance capacity and reveal deficiencies to be corrected in future schemes.

Such "upstream" work would enable the mission to use its time in the field more effectively, but the depth and emphasis of such prior study should be limited by the aim of preparing the mission for its task in the field.

Duration and Frequency of Sector Study Missions

13. Because of the broad perspective of its work and the need for thorough discussions with the government of objectives, the mission was likely to last longer than a normal identification mission, perhaps something in the order of five to six weeks. Nevertheless, it should not allow itself to be tied down by the collection of data. This work would be accomplished by the government, in many cases with the assistance of international experts already in the field, prior to the mission's arrival. While in the field, the mission would analyse the data available in such a way as to help the government to plan its long-term education development strategy.

Selection of Countries

14. The selection of countries for sector study missions would depend on a number of considerations. The size of a country and its comparative need for such a study to enable the Bank to invest rationally in the education sector would be one determining factor. Other factors were readiness of the country to accept such a broad examination of its educational needs,

availability of usable data, and climate for investment. However, the Education Projects Department in receiving suggestions from Unesco for such studies would have to take into consideration priorities determined by the Area Department concerned and the demands of the Five-Year Lending Program. The current relations between the Bank and the member country might create constraints.

Report Preparation

15. It was expected that the time taken to produce a sector study report would be slightly longer than that for a Project Identification report. The additional time for the whole process, however, would be in prior study at headquarters and to a lesser extent in the field. A back-to-office report would be produced as usual, but the construction of a pre-investment study program or the identification of projects for early investment would have to await the final report.

Project Identification

16. Although a number of identifiable projects for investment would come from sector study missions, it would be necessary for the foreseeable future to continue to identify projects by means of normal Project Identification Missions and reconnaissance missions.

Conclusion

17. The sector study was a new concept designed to provide a dynamic development strategy for the education sector taking into account the impact of that strategy upon the economy of the country as a whole, and the impact of other developments in the economy and society upon the education sector. It would provide an assessment of the educational services required to support the growth of a country's economic and social structure. As the pre-investment study program was implemented it would determine priorities for investment. Unless the main purpose of the Bank's interest - investment in development - was kept continuously in sight, member countries would not find the broader study of their educational objectives and the means of implementing them attractive.

Item II. REVIEW OF MISSION PROCEDURE

(a) Exchange of personnel

IT WAS AGREED that (a) the exchange of personnel between Educational Financing Division and the Education Projects Department on missions would increase the mutual understanding of the problems encountered in different types of missions; (b) exchanges would be made so that each organization received equal time (in the field and at headquarters for report writing) from the staff member on loan; (c) arrangements would be made on a case-to-case basis during the first half of 1970; (d) Bank staff members participating in a Unesco mission would agree to use the same type of hotel accommodation as Unesco mission members.

(b) Post project evaluation missions

It was pointed out by Unesco that the post project evaluation missions could be conducted only after completion of the schools and the enrollment of students in them and that this was usually much too late to provide guidance in subsequent projects financed by the Bank. Unesco representatives felt that much more attention should be paid in supervision missions to educational factors and changes agreed upon in the Loan Agreement and to their implementation. While the evidence might be partial, it would nevertheless provide a useful feedback for considering future projects. IT WAS AGREED that such evaluation is necessary and that supervision missions would pay particular attention to issues of this nature.

Item III. ARRANGEMENTS FOR TECHNICAL ASSISTANCE
UNDER BANK/IDA FINANCING:(ECUADOR)

The Bank's present view was that the government was responsible for arranging for technical assistance stipulated in a loan/credit agreement. However, the Bank had a continuing interest in the suitability of experts selected for the implementation of that part of a project. A formula had therefore been worked out between Unesco and the Bank in the Ecuador case, whereby the former would establish a roster of acceptable consultants on the basis of agreed job descriptions from which the government would be offered candidates. The Bank had notified the Ecuadorian authorities to contact Unesco.

IT WAS AGREED that a similar approach would apply in the case of technical aid to other borrowers under Bank loan/credits.

Item IV. PERMANENT MISSIONS IN AFRICA

The meeting discussed McMahon's terms of reference as a member of the Bank's Permanent Mission in Eastern Africa. An important distinction was noted between education projects on the one hand where identification and preparation would be undertaken primarily by Unesco and the Bank headquarters and agriculture and transportation projects on the other, where the Permanent Mission's specialist staff played a much more comprehensive role in project identification and preparation. It was also noted that the Permanent Mission would: (a) alert the Bank about possible education projects; (b) identify simple or repeater-type projects; and (c) assist member governments in completing necessary project documents while maintaining close contact with member governments at all stages of project work; (d) report to the Bank any difficulties in implementation of projects.

IT WAS AGREED that: (a) the Permanent Mission should be kept informed of both Bank and Unesco missions planned for countries in its area of responsibility; (b) in his contacts with member countries, Mr. McMahon should liaise with Unesco field staff and regional representatives so that, if possible, his visits were appropriately timed in relation to Unesco staff visits; (c) Unesco would furnish the Permanent Mission with a current list of its field officers and advise its staff to call on him if they were passing through Nairobi; (d) the Bank would ensure that the Permanent Mission was informed of the desirability of liaison with Unesco field officers.

Item V. MANPOWER DATA FOR BUDGET PREPARATION

IT WAS AGREED that the Bank would furnish Unesco with a rough estimate of the number of missions to be scheduled in calendar 1971 and 1972 so that Mr. van Vliet could submit to Unesco Director General draft estimates by November 15 for the 71/72 biennium of EFD's staff requirements. The new methods of manpower analysis being considered for use in the Bank were discussed. IT WAS ALSO AGREED that EPD would inform Mr. van Vliet when the Bank decides to implement the new system and he might then consider any desirable changes in the Educational Financing Division's present method of time reporting. Further discussions would take place on the details required for the preparation of the Bank's Cooperative Program budget for fiscal 1971. Projections of manpower requirements for the Unesco 1971/72 biennium would be based on formulae used in last year's estimates.

Item VI. OPERATIONS - MISSION SCHEDULES, etc.

The operational program for the first six months of 1970 was discussed and a tentative schedule of missions was agreed upon. (See Annex 1.)

Item VII. EFD STAFFING PROPOSALS

(a) Manpower levels of Educational Financing Division

With regard to the staffing of the Educational Financing Division, Mr. van Vliet stated that his aim was to create a nucleus of highly experienced staff who would have a broad approach to the problems of educational development. The regular staff of the Division would be in those broad areas most commonly involved in projects. He was inclined to use other Unesco staff or consultants in the more narrowly specialized fields. He recognized the desirability, particularly from the Bank's point of view, of calling on specialists from outside Unesco (ILO and FAO) where the particular expertise was lacking in Unesco.

Mr. Ballantine hoped that the use of people from ILO and particularly FAO might be more frequent and common than this suggested. He noted that there existed also a cooperative agreement between the Bank and FAO which provided for FAO participation in the identification and preparation of projects in agricultural education and that FAO had three staff members on its team specifically for this purpose. Addition of a fourth is under consideration. He felt that staffing of the EFD with agricultural educators or employment of other Unesco staff or consultants to an extent which would prevent full use of the FAO team members could hardly be justified from an economy point of view. He expressed concern about the apparent reluctance of Unesco to make fuller use of this resource. He felt also that both ILO and FAO brought to bear a point of view which is valued by the Bank but which, understandably, does not enter sufficiently into the customary analysis by Unesco. He pointed to the record that of all the projects identified and prepared by Unesco, none thus far had included a project item for adult vocational training.

The meeting did not reach agreement on this question and it was recognized that further discussion would be necessary.

(b) Review of Candidates

There was a brief discussion on candidates for the Educational Financing Division.

Item VIII. ADMINISTRATIVE MATTERS

(a) Secretarial assistance for EFD missions

The need for supplementary secretarial assistance arose on project preparation missions where a report had to be produced while the mission was in the field. This secretarial work was concerned with compilation of the report and assisting local typists. Unesco's first approach was to ask the government to provide the necessary secretarial assistance from its own resources or from outside. If, however, the government had no budget for this purpose, Unesco would ask for secretarial assistance to be paid for out of the Cooperative Program. In rare cases it might be necessary for a secretary to be brought from Paris to do this work.

IT WAS AGREED that Unesco would send a note to the Bank on this question, giving some estimate of the cost of hiring secretaries under the Cooperative Program. The Education Projects Department would then take the matter up with appropriate officers in the Bank to establish a policy. Thereafter, each request would be dealt with as it arose.

(b) Reimbursement for miscellaneous expenses

Occasionally Unesco missions incurred miscellaneous expenses (for example, for the rental of office equipment, newspaper advertisements for secretaries, rental of cars) none of which was covered by the Unesco staff's per diem.

IT WAS AGREED that Education Projects Department would take this matter up with the Controller's Department and notify Unesco how it should handle such expenses in the future.

(c) Mission reports

IT WAS AGREED that Unesco would provide 15 copies of P.I.M. reports in English plus five additional copies if the report had been published in another language.

(d) Weekly confirmation of mission status

IT WAS AGREED that it would be useful for both organizations if there were weekly communication between the two organizations giving details of revisions in the timing of mission schedules and in particular any change in departure dates. It would also be useful if Unesco notified the Bank of any slippage in report writing if more than a week's delay was involved.

IX. EDUCATION INDICATORS

(Discussion between Moller, Stewart and Fennell)

The comments of Mr. Goldstone and Chesswas had been received by the Bank. IT WAS AGREED that a more detailed review of education indicators should be postponed until there had been an opportunity to study in light of Unesco's comments on the work sheets from four or five countries which were expected to be available in Washington before the end of the year.

R.H.S.F.
12/9/69

IBRD/UNESCO Cooperative Program: Tentative Mission Schedule Oct 69 - June 70

(Revised Oct 16, 69)

COUNTRY	DIV	IBRD	IDA	October	November	December	1970 January	February	March	April	May	June
AFGHANISTAN	I						(A)					
BOLIVIA	I		2.0		(A)							
ETHIOPIA	I		10.0	(PA)			(A)					
GREECE												
PAKISTAN	II				(A)							
THAILAND	I						(A)F					
BRAZIL	II	10					(A)					
CEYLON	II			(I)			FIM Report expected	(R)			(P)*?	
DOMINICAN REPUBLIC	II				(P)		(A)?					
GHANA	II						(I)*					
INDONESIA	II				(P)		(A)?					
IRAN	II				(A)							
JAMAICA	I						(P)				(A)?	
JORDAN	I					Consultant Report expected	(P)		(A)			
MOROCCO	I			(I)							(P)*	
PARAGUAY	I				(R)				(P)*			
PHILIPPINES	I										(P)	
SPAIN	II								(A)F			
TANZANIA	I				(PA)F		(A)F		(R)P*			
TURKEY	I								(P)*			
UGANDA	II				(R) →		(P)			(A)		
Country	DIV	IBRD	IDA	October	November	December	1970 January	February	March	April	May	June
BOTSWANA	II										(P)	
LESOTHO	I										(P)	
SWAZILAND	I										(P)	
Congo(B)	I			(P)					(A) →			
Congo(K)	I						(R) for I F*					
DAHOMY	II											
INDIA	I				(R)				(P)F			
IRAQ	I								(I)P			
LIBERIA	I						(Rid)					
NIGER	I				(R)						(P)	
PAKISTAN	II						(R)		(SS)*			
SENEGAL	II						(R)		(P) → I			
SOMALIA	I						(R)		(P)			
THAILAND	I				(R)		(SS)					
TUNISIA	I										(P)	
UPPER VOLTA	I											
G.A.R.					(R)							

KEY

- (I) = Proj. Identification Mission
- (P) = Preparation
- (A) = Appraisal
- (R) = Reconnaissance
- (PA) = Pre-Appraisal
- (A*) = Re-Appraisal
- F = F.A.O. participation
- * = Priority PIM & PPMs
- (SS) = Sector Study

- Could slip to 3rd Quarter to if S.S. not ready.

Audit Report of Amer. Council of Educ. mission. before deciding on type of mission

Could slip from Jan → April.

New Media specialist may be required - PPM

→ Post June 70 for PPM.

DECLASSIFIED

INTERNATIONAL DEVELOPMENT ASSOCIATION

CONFIDENTIAL

FEB 20 2025

R70-112
IDA/R70-43

FROM: The President

WBG ARCHIVES June 8, 1970

PROPOSED SUPPLEMENT TO
MEMORANDUM OF UNDERSTANDING
WITH RESPECT TO WORKING ARRANGEMENTS BETWEEN
THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND
CULTURAL ORGANIZATION AND THE INTERNATIONAL BANK
FOR RECONSTRUCTION AND DEVELOPMENT AND THE
INTERNATIONAL DEVELOPMENT ASSOCIATION

1. As the Executive Directors are aware, the cooperative program which the Bank* set up with Unesco in June 1964 provides for collaboration in the identification, preparation, appraisal and supervision of education projects and in arranging for technical assistance for project implementation. This program has been a valuable aid to the Bank in the education field. Since 1964, the professional staff in the Unesco Secretariat who are engaged exclusively in cooperative program work have increased in numbers and gained in experience. At present, they function as members of the Unesco Educational Financing Division, a separate unit within the Secretariat, the Director of which operates in close cooperation with the Director of the Bank's Education Projects Department.

2. In recent months, it has become increasingly apparent that it would be advantageous if the cooperative program were expanded to include also the preparation of sector studies and recommendations regarding country programs for the education sector, as well as certain agreed services and studies relevant to particular aspects of educational development. Within the Unesco Secretariat, the Division of Educational Planning and Administration (EPAD) and the Department of School and Higher Education (EDS) are in a position to offer valuable services to the cooperative program in these fields.

3. In discussions which I had with the Director-General of Unesco earlier this year an agreement in principle was reached on a proposed expansion of the cooperative program, and the Bank staff have subsequently completed detailed negotiations with their counterparts at Unesco. The proposed arrangements are embodied in a "Supplement to the Memorandum of Understanding with respect to Working Arrangements between the United Nations Educational, Scientific and Cultural Organization and the International Bank for Reconstruction and Development and the International Development Association", under which EPAD and EDS would together provide annually to the cooperative program such man-years of professional services as Unesco and the Bank may from time to time

* Except as otherwise required by the context, all references herein to the Bank shall be deemed to include both the Bank and IDA.

Distribution:

Executive Directors and Alternates
President
President's Council
Executive Vice President, IFC
Vice President, IFC
Department Heads, Bank and IFC

agree. As an administrative device to permit these services to be provided, new cooperative program posts would be created within the Unesco Secretariat. For an initial period of two years commencing July 1, 1970, six man-years of services are to be provided and six new posts are accordingly to be created, three in EPAD and three in EDS. These additions would involve annual expenditures of approximately \$160,000 when the program is in full operation; under the existing agreement with Unesco, the Bank would bear 75% of the costs. Because of time required for recruitment, expenses for FY 1971 are estimated at \$91,000 and provision has been made in the Bank's FY 1971 budget for 75% of this amount.

4. Attached is the draft of a proposed report from the Executive Directors of the Bank and IDA to the respective Boards of Governors, recommending the approval of the supplemental agreement with Unesco and adoption of draft resolutions to that effect. The draft report describes the purpose and background of the supplemental agreement. The text of the supplemental agreement is attached as Annex A to the draft report and the text of the proposed resolutions to be adopted by the Boards of Governors is attached as Annexes B and C.

5. It will be noted that the proposed supplemental agreement, by its terms, is likewise subject to the approval of the appropriate intergovernmental body of Unesco. The agreement is on the agenda of the Unesco Executive Board at its current session (May 4-June 19, 1970). If the Executive Directors approve, and subject to the approval of the Unesco Executive Board, I propose that the cooperation between the Bank and Unesco, along the lines of the supplemental agreement, be initiated as of July 1, 1970, on an informal and interim basis and pending the requisite approvals by the Boards of Governors.

6. I believe that the conclusion of the proposed supplemental agreement with Unesco would be in the interests of the Bank. Accordingly I recommend that:

- (a) the Secretary dispatch the attached letter, report and proposed resolutions to all members for the consideration of the Boards of Governors;
- (b) a vote of the Boards of Governors be taken without meeting on the proposed resolutions and the requirement that no Governor vote on the resolutions until seven days after their dispatch be waived;
- (c) the Secretary canvass the votes and report thereon to the Executive Directors;
- (d) the effective date of the resolution be the last day allowed for voting; and
- (e) the Secretary take such further action as he deems necessary or appropriate to carry out the purposes of this vote.

7. In the absence of objection (which should be notified to the Secretary or Deputy Secretary by the close of business on June 15, 1970) this report will be deemed approved, to be so recorded in the minutes of subsequent meetings of the Executive Directors of the Bank and IDA.

Robert S. McNamara



Record Removal Notice

File Title United Nations Files: Food and Agriculture Organization FAO (Including Cooperative Program) - 1 v		Barcode No. 1242185		
Document Date June 1970	Document Type Report			
Correspondents / Participants				
Subject / Title Report of the Executive Directors to the Boards of Governors: Supplement to Memorandum of Understanding with respect to Working Arrangements between the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the International Bank for Reconstruction and Development (Bank) and the International Development Association (IDA)				
Exception(s) Communications of Executive Directors' Offices				
Additional Comments		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group. <table border="1"><tr><td>Withdrawn by Vlada Alekankina</td><td>Date February 27, 2025</td></tr></table>	Withdrawn by Vlada Alekankina	Date February 27, 2025
Withdrawn by Vlada Alekankina	Date February 27, 2025			

FORM No. 75
(2-60)

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE
CORPORATION

INTERNATIONAL DEVELOPMENT
ASSOCIATION

ROUTING SLIP		Date 10/17/69	
NAME		ROOM NO.	
Messrs. Benjenk (2)		A637	
Bartsch		CL03	
Haynes		CL03	
Riley		D1136 ✓	
To Handle		Note and File	
Appropriate Disposition		Note and Return	
Approval		Prepare Reply	
Comment		Per Our Conversation	
Full Report		Recommendation	
XXX Information		Signature	
Initial		Send On	
REMARKS File FAD Co-up Proj.			
From M. Veraart			

TO: Mr. W.P. Benjamin
Officer-in-Charge,
FAO/IBRD Cooperative Programme

DATE: 3 October, 1969.

FROM: K.E. Snelson

SUBJECT: Attendance at Second Session of the Regional Commission
on Land and Water Use in the Near East, held in Cairo.
Back-to-Office Report and Full Report.

1. At Dr. Saouma's request I attended this meeting in Cairo, which was held from 28 September through 3 October. I attended only the sessions on 29 and 30 September, travelling to Cairo on 28 September and returning to Rome with Dr. Saouma's agreement on 1 October.

The Regional Commission on Land and Water Use in the Near East is a statutory body set up by Resolution 9/48 of the Forty-Eighth FAO Council Session (June 1967), with the main objectives of formulating programmes of work in relation to improved land and water use in the region, the establishment of priorities for the elimination of limiting factors, the formulation of recommendations for measures to be taken in specialised fields, and the formulation of ways and means by which FAO could assist countries in the Region. The Commission held its first session in Beirut in September, 1967 in conjunction with the FAO/UNDP Seminar on land and water use in the Near East. This was followed by an ad hoc meeting in Amman in May, 1969 to review UNDP/FAO land and water use projects in the Near East which Miss Eid attended for the CP.

2. The present Second Session was held in the headquarters of the Arab League and was attended by delegations from Iraq, Jordan, Lebanon, Saudi Arabia, Sudan, Syria and the UAR with observers from USA, League of Arab States, UNDP, Kuwait Fund and the CP. Six officers of LA Division attended, four from HQ and two from the Regional Office. Absent were delegations from Afghanistan, Iran, Libya, Pakistan, Somalia and Yemen. The agenda covered adoption of the report of the May Beirut meeting which called for selection of priority topics for a regional approach, consideration of papers on groundwater development and land classification (both prepared by LA Division) and the formation of national land and water use committees.

3. The Commission generally endorsed the report of the Beirut meeting (LA:SE/TONE 69 REP) and, in considering the fifteen possible lines of regional applied research proposed therein, reached a consensus, after considerable discussion, that priority should be given to studying the four problems of calcareous soils, salt-affected soils, sandy soils and the economic use of water. The methodology by which this work could be carried out would be preparation by FAO of standard guidelines for investigating each problem area, their communication to government, implementation by governments within the framework of FAO/UNDP or national programmes, and the analysis, processing and dissemination of results by FAO. This is regular FAO technical work and, I see no reason for CP comment.

4. The paper "Planning and Policy Considerations for Groundwater Development and Use in the Near East Region" (LA:LWU/69/3) gave an excellent account of the hydrogeological, technical and legislative aspects of groundwater development. The paper also covered the costs and economics of groundwater development and use, the returns to groundwater use in irrigation, a comparison of groundwater and surface water development costs and the financing of groundwater development. In preparing this part it is

a pity that LA Division did not consult the CP (the paper was prepared in June; I first saw it on September 25). In my own contribution to a lively discussion, I gave an account of the Bank-financed Ghazvin project and the various groundwater projects with which the CP is concerned.

5. The paper "Soil Survey and Land Classification required for Feasibility Studies of Water Development Projects" (LA:LWU/69/4) took as its starting point the conclusions reached in the two-day FAO/IBRD Technical meeting on land classification in feasibility studies for irrigation development held in Rome in October, 1968. This paper also contained some economic commentary, but the CP was not consulted during its preparation (it was also prepared in June and I first saw it on September 25). The paper gave a comprehensive coverage of this complex and contentious subject but since I was not sure that the Bank would endorse all its recommendations, I asked the author to make it clear in his presentation that the paper represented FAO's opinion only. In my own contribution to the discussion I said that the paper would doubtless be a center theme in the next discussions between the Bank, CP and FAO on this subject. I am preparing a draft letter to the Bank proposing the further discussions which were envisaged at the October 1968 meeting.

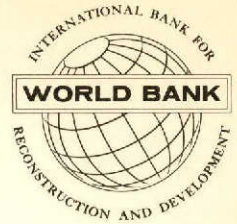
6. The full report on the Commission's session, containing the formal resolutions at its conclusion, will presumably be made available to the CP by LA Division in due course. While the Commission's aims are very worthy, I am not sure that its practical workings make it sufficiently worthwhile for the CP to make a regular habit of attending its deliberations. If, however, we are to attend future occasions we should ask for more notice (the invitation came to us on September 24) and for a chance to study the papers to be presented at their draft stage if they contain references to the economic, financial and financing aspects of land and water development projects.

cc: IBRD Washington, (8)
All Team Members.

KEB:ejc

FOR IMMEDIATE RELEASE

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT



1818 H STREET, N.W., WASHINGTON D. C. 20433 TELEPHONE: EXECUTIVE 3-6360

Cooperative Prog.

Bank Press Release No. 69/34
June 4, 1969

Subject: \$12.5 million loan for
agriculture in the Philippines

A World Bank loan equivalent to \$12.5 million, announced today, will provide half the funds needed over the next three years for a rural credit project to increase agricultural production in the Philippines. The project is a continuation of an agricultural credit program that was supported by a loan of \$5 million made by the Bank in 1965.

Under the project, farmers will be offered medium- and long-term loans for buying farm machinery and equipment, and for livestock and fishery development. As a result, it is expected that more rice, sugar cane, pork, poultry and fish, valued at some \$29 million, will be produced annually. The net amount of foreign exchange saved or earned could be as much as \$13 million per year. Approximately 7,000 beneficiaries engaged in farming, fishing and related activities are expected to participate in the project.

The World Bank loan is being made to the Central Bank of the Philippines. The Central Bank will relend the proceeds of the loan, along with funds from other sources, to qualified rural banks. The rural banks, in turn, will make loans for periods ranging from three to ten years to farmers for specified purposes.

The World Bank loan will be guaranteed by the Republic of the Philippines. It will be for a term of 14 years, including a four-year grace period, and carries interest at 6-1/2%. The Fidelity Bank, Philadelphia is participating in the loan to the extent of \$50,000.

/more

- 2 -

The total estimated cost of the project is equivalent to \$25 million, of which half will be required in foreign exchange and covered by the World Bank loan. The Central Bank of the Philippines will provide \$7.5 million from other sources; the remaining \$5 million is expected to come from the rural banks and the beneficiaries.

In recent years, agricultural output in the Philippines, principally rice and corn, has shown very impressive gains, and the country may soon become a net exporter of rice. Better coordination among government agencies, and a larger supply of credit for buying the inputs used in association with improved plant varieties, have contributed significantly to the increase in production. The Philippine Government plans to maintain the momentum of agricultural development by providing more credit and other forms of assistance to farmers. Since about two-thirds of the country's population depends for its livelihood on agriculture and related activities, the increase in farmers' incomes will benefit the economy considerably.

A specialist from the Food and Agriculture Organization of the United Nations (FAO) participated in the appraisal of this project under the Bank/FAO Cooperative Program.

- 0 -

→ FAO/IBRD / COOP. PA. +
11

FAO/IBRD COOPERATIVE PROGRAMME

INTERNAL MEMORANDUM

afg.
San.

To: Mr. I.H. Ergas 28 May 1969

From: A. M. Eid

Subject: Attendance at Ad Hoc Consultation Review UNDP/FAO Land and Water Use projects in the Near East : 12-17 May 1969
Back-to-Office and Final Report

The consultation concerned 16 UNDP projects in Afghanistan, Iraq, Jordan, Lebanon, Pakistan, Somalia, Sudan, Syria, Saudi Arabia, UAR and Yemen. Heads of delegations present were, in most cases, directors of the departments of water and land resources. UNDP project managers and national counterparts were also present.

The UNDP/FAO projects considered were discussed in detail and a preliminary list of common problems that could make the subject of regional applied research programmes were identified in the draft report of the Meeting (see Appendix A). These will be reviewed by the Secretariat, who will make specific proposals to the next meeting of the FAO Regional Commission on Land and Water Use in Alexandria in September 1969 as to how and to what extent the meeting's recommendations could be implemented. The intention is to carry out this research within the means made available to present UNDP projects.

→ The only two projects of stated special Bank interest are the Kunduz Khanabad in Afghanistan and the Shebelli in Somalia, for which Appendix B gives a resume of the statements made at the meeting.

Other projects that may lead to investment follow-up within a couple of years are the "Investigation of the Sandstone Aquifers of East Jordan", and "Hydro-agricultural Development" (Northern Lebanon). "Planning the Integrated Water and Agricultural Development of the Savannah Belt" in Sudan, which is still at the request stage, has as main objectives to assist the Rural Water and Development Corporation in implementing its water programmes, in training personnel, and in providing guidance in the coordination of water, pastoral, social and agricultural development programmes, in the light of existing social and economic conditions in the savannah belt. This project would provide considerable support to an eventual investment project in Sudan on the lines of the project identified by the Cooperative Programme mission in late 1967. The project, for

AME/jc

2/.....

PK 3/3.9 NEAR EAST

cc: All Team Members
IBRD, Washington
Registry

"Agricultural Development in the Jebel-Marra", also in Sudan, comes up against the over-riding problem of long distances and lack of communications, which hampers development of cash crops in the area. In the context of a project pipeline for the Sudan, it might be interesting to know prospects for Bank involvement in road construction in Sudan and the chances of having such development open up the Jebel-Marra area in the near future.

In Syria, the project for "Agricultural Development of the Ghab Region" is well under way and includes only a small foreign exchange element for the field drainage to be carried out. However, the "Euphrates Pilot Irrigation Project" could lead to considerable investment by assisting in creating a River Valley Development Authority, in the development of pilot areas to test various farm organizational systems, and the training of settlers and supporting personnel. Should there be good chances of renewed Bank operations in Syria, even in the not immediate future, this project would have to be closely followed up by the Programme.

Both the project for "Irrigation Development in the Wadi Jezan, in Saudi Arabia, and the "Survey of the Agricultural Potential of Wadi Zabid", in Yemen, have sizeable investment implications, and could be followed up closely by the Programme should there be Bank interest in investment in these two countries.

In its draft report, the Meeting expressed hope that Bank/IDA financing for irrigation development for the Region could be increased, and that the process of project preparation for the World Bank could be speeded up. In this respect the meeting recognised that a great deal of background data was requested by the World Bank before project appraisal and underlined the necessity of early contacts between UNDP/SF projects and the FAO/IBRD Cooperative Programme so that there would always be early awareness of the requirements and appraisal criteria of the World Bank.

The working papers for the Meeting, and the draft report approved at the closing session, are available in the files.

AFGHANISTANKunduz-Khanabad Irrigation Feasibility Study (AFG.20)

This project consisted of a feasibility study for the irrigation of 20,000 hectares of fertile land in the Kunduz-Khanabad valley. This area was also favoured with a comparatively highly developed infrastructure with only agricultural production somewhat lagging behind. Since this project had only been recently started, the discussion of its technical features was limited. It was noted, however, that particular problems might arise in connection with the irrigation of loess and loess type soils.

In answer to a question of the representative of UNDP, it was acknowledged that some adjustments in the Plan of Operation might be needed to cover some additional studies, but it was stated that the necessary additional working means could only be known within a few weeks since the results of basic studies still under way were required to arrive at definite conclusions in this regard.

The representative of Afghanistan confirmed the intention of the Government to submit this project as soon as possible to international financing institutions. He indicated, furthermore, that local conditions might require that the construction work be directly carried out by an appropriate Government body. In this connection, he thanked UNDP and FAO for the assistance received in the past, within the framework of the Technical Assistance Programme, for the organization and strengthening of the Government Irrigation Construction Unit. He expressed the hope, therefore, that this assistance would be continued and strengthened, since this might prove essential for the implementation of the Kunduz-Khanabad project.

SOMALIAWater Control and Management of the Shebelle River (SOM.10)

This project was considered to be a rather classical example of a feasibility study of an irrigation scheme. Although it was a follow-up to a previous land and water resources survey, its progress had been somewhat hampered by the lack of basic data. It was expected, however, that this obstacle would be overcome before the end of the project. Among technical points of possible regional interest, the comparison which had been made between the economic feasibility of perennial and intermittent irrigation was particularly mentioned. In spite of higher initial capital investment cost, and subject to further studies, the preliminary findings of the project indicated that perennial irrigation, when physically possible, was likely to prove more profitable.

In view of the lack of sufficient data on actual crop yields and water requirements, it was recognized that follow-up action in these fields was still needed in connection with a first phase of pilot development. Answering a question from the UNDP representative, the Government delegate stated that his Government was preparing a request for further assistance in this field, based on the findings incorporated in the interim report which had just been prepared by FAO.

Mr. W.A. Wapenhans

December 12, 1968

V.J. Riley

Bank/FAO Mission to San Francisco River Region, Brazil

Mr. Morris Huberman, UNDP Project Officer, called today regarding the above mission. UNDP was aware from our routine advisory notices about missions that this mission has been in Brazil and would be returning to Washington for debriefing in about a week.

As you know, UNDP, with FAO as Executing Agency, has been deeply involved in the San Francisco area for some time and has undertaken a number of extensive studies there. They are, accordingly, keenly interested in the results of any project identification missions undertaken by the Bank and FAO in this area. Mr. Huberman asked if it would be possible for a representative of UNDP, presumably himself, to sit in on the debriefing of the mission in the Bank. Alternatively, he asked if it would be possible for any of the mission members who were passing through New York to visit UNDP and brief them there about the mission's findings.

I would appreciate your position on this request.

VJRiley/afw

P.S. I've explained this to Huberman and he understands and accepts that we would not want outsiders participating in the debriefing. He went on to inquire whether the cooperative program fellows might stop in New York on their way back to Rome and brief UNDP at that time.

Special file
IBRD/FAO

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

OFFICE MEMORANDUM

TO: Files DATE: October 1, 1968
FROM: J. Dumoulin
SUBJECT: UNDP/SF Requests and/or Projects - IBRD/FAO Cooperative Program

1. As a result of the tripartite meetings (Bank, FAO, UNDP), held in Rome, May-June 1968, and of the last FAO/IBRD Cooperative Program review held in Washington, July 1968, the attached lists of UNDP/SF requests and projects have been revised and are presented as follows:

- (a) UNDP/SF Requests and/or Projects in the Field of Agriculture of "Special Interest" to the Bank.
- (b) Additional UNDP/SF Requests and/or Projects (of no "Special Interest" yet to the Bank) selected by the FAO/IBRD Cooperative Program Team.

Attachments

Cleared with and cc: Mr. Hendry

cc: Heads of Sections (Agriculture Division)
Cooperative Program Team (Rome) (12 copies)
Development Services Department (5 copies)
Messrs. Veraart
Reid (Rome)

JDumoulin/hm
UNDP/SF

A. UNDP/SF REQUESTS AND/OR PROJECTS IN THE FIELD OF AGRICULTURE OF
"SPECIAL INTEREST" TO THE BANK

<u>Region, Country and UNDP Number</u>	<u>Request and/or Project</u>
<u>AFRICA</u>	
1. ETHIOPIA ETH 11	Assistance in Strengthening the Awash Valley Authority. (P)
2. GABON GAB 6	Forest Development. (P)
3. KENYA KEN 11	Range Management, Division of the Ministry of Agriculture and Animal Husbandry. (P)
4. KENYA KEN 16	Pilot Irrigation Scheme, Kano Plain. (P)
5. MADAGASCAR MAG 14	Agricultural Development of the Morondava Plain. (P)
6. MOROCCO MOR 8	Study for the Planned Economic Development of the Sebou Basin. (P)
7. MOROCCO MOR 14	Pilot Development and Agricultural Training in Selected Rural Zones of the Western Rif. (P)
8. MOROCCO MOR 15	Selected Feasibility Studies in the Sebou Basin and the Western Rif Region. (P)
9. NIGERIA NIR 30	Livestock Development in the Sokoto Province. (R)
10. SOMALIA SOM 10	Water Control and Management of the Shebelli River. (P)
11. SWAZILAND SWA? UK 49	Survey and Planning of the Usutu River Basin. (P)
12. TUNISIA TUN 18	Training Staff for Agricultural Education and Production, Tunis. (P)
13. TUNISIA TUN 17	Experiments and Demonstration on the Production of Selected Tree Crops, Forage and Livestock. (P)
14. TUNISIA TUN 30	North African College of Agricultural Engineering, Medjez el Bab. (R)
15. UGANDA UGA 8	Development of the Beef Cattle Industry. (P)

Region,
Country and
UNDP Number

Request and/or Project

ASIA

- | | | |
|-----|-----------------------|--|
| 16. | AFGHANISTAN
AFG 20 | Kunduz-Khanabad Irrigation Feasibility Study. (P) |
| 17. | INDIA
IND 55 | Pre-investment Survey of Fishing Harbors. (P) |
| 18. | INDIA
IND 58 | Groundwater Investigations in Madras State (Phase II). (P) |
| 19. | NEPAL
NEP 7 | Feasibility Study of Irrigation Development in the Tarai Plain. (P) |
| 20. | PAKISTAN
PAK 29 | Hydrological Survey in East Pakistan (Phase II). (P) |
| 21. | PAKISTAN
PAK 37 | Establishment of Irrigation Extension Training Centers in East Pakistan. (R) |
| 22. | INDONESIA
INS 18 | Land and Water Resources Development in South-east Sumatra. (R) |
| 23. | INDONESIA
INS 22 | Aerial Photography of some Priority Development Areas. (R) |

EUROPE

- | | | |
|-----|-----------------|---|
| 24. | CYPRUS
CYP 6 | Surveys, Demonstration and Planning of Water Resource Utilization. (P) |
| 25. | FIJI
UK 55 | Assistance in an Irrigation and a Drainage Pre-investment Survey on Rewa River. (R) |

LATIN AMERICA

- | | | |
|-----|---------------------|---|
| 26. | ARGENTINA
ARG 27 | Intensification of Animal Production, Anguil. (R) |
| 27. | BRAZIL
BRA 37 | Strengthening Applied Research and Training in Animal Production in the Central Livestock Belt. (R) |

REMARK: In addition for the Senegal River Basin (Africa), the Bank has also a "special interest", and is following through the Senegal Advisory Group, the following UNDP/SF Requests and/or Projects.

Region,
Country and
UNDP Number

Request and/or Project

- | | |
|-------------|--|
| 28. REG 52 | Feasibility Survey for the Regulation of the Senegal River. (P) |
| 29. REG 61 | Hydro-agricultural Survey of the Senegal River Basin. (P) |
| 30. REG 80 | Design of System of Water Management in the Upper Senegal River Catchment. (P) |
| 31. REG 86 | Navigability and Port Studies on the Senegal River. (P) |
| 32. REG 114 | Agricultural Research in the Senegal River Basin. (P) |

REMARKS: (R) = Request received by UNDP/SF.
(P) = Project approved by UNDP/SF.

JDumoulin/hm

October 1968

B. ADDITIONAL UNDP/SF REQUESTS AND/OR PROJECTS
(OF NO "SPECIAL INTEREST" YET TO THE BANK)
SELECTED BY THE FAO/IBRD COOPERATIVE PROGRAM TEAM

<u>Region, Country and UNDP/SF Number</u>	<u>Request and/or Project</u>
<u>AFRICA</u>	
1. GHANA GHA 8	Fishery Research Unit. (P)
2. MAURITIUS UK 37	Land and Water Resources Survey. (P)
3. NIGER NER 7	Development of Animal Production and Water Resources in Eastern Niger. (P)
4. NIGERIA NIR 3	Soil and Water Resources Survey of the Sokoto Valley. (P)
5. TANZANIA TAN ?	Livestock Development and Range Land Management. (R)
6. TANZANIA TAN 8	Southern Highlands Sheep Raising Project. (P)
7. TUNISIA TUN 8	Integrated Rural Plan for Central Tunisia. (P)
8. UGANDA UGA 4	Irrigation and Pilot Demonstration Project, Mubuku. (P)
<u>ASIA</u>	
9. CEYLON CEY 7	Mahaweli Ganga Irrigation and Hydro-power Survey. (P)
10. INDIA IND 23	Pre-investment Study of Forest Resources. (P)
11. KOREA KOR 10	Deep Sea Fishing Training Center, Pusan. (P)
<u>EUROPE</u>	
12. SPAIN SPA 9	Hydrogeological Investigations in the Guadalquivir River Basin. (P)

Region,
Country and
UNDP/SF Number

Request and/or Project

LATIN AMERICA

- | | |
|------------------------------|---|
| 13. ARGENTINA
ARG 18 | Research and Demonstration Project on Forage
Production and Pasture Management in the
Mesopotamia Region. (P) |
| 14. ARGENTINA
ARG 20 | Feasibility Study for the Development of
Comahue Region. (P) |
| 15. ECUADOR
ECU 1 | National Fisheries Institute. (P) |
| 16. ECUADOR
ECU 13 | Pre-investment Studies on Forestry Development
in the Northeast. (P) |
| 17. GUATEMALA
GUA 7 | Agricultural Diversification in Marginal
Coffee Growing Areas. (P) |
| 18. PERU
PER 15 | Irrigation of the Pampas de Olmos. (P) |
| 19. PERU
PER 23 | Land and Water Use Surveys for the Development
of the Huarura River Basin. (P) |
| 20. VENEZUELA
VEN 1 | Agricultural Survey of Selected Watersheds.
(P) |
| 21. BRAZIL/URUGUAY
REG 35 | Development of the Merim Lagoon Basin. (P) |

MIDDLE EAST

- | | |
|---------------------|--|
| 22. IRAN
IRA 12 | Integrated Planning of Irrigated Agriculture
in the Varamin and Garmsar Plains. (P) |
| 23. JORDAN
JOR 9 | Investigation of the Sandstone Aquifers of
East Jordan. (P) |

REMARKS: (R) = Request received by UNDP/SF.
(P) = Project approved by UNDP/SF.

JDumoulin/hm

October 1968

ROUTING SLIP		Date Sep. 27, 1967	
NAME		ROOM NO.	
Mr. R. H. Donuth		845	
Mr. Hoffman			
Mr. Rubin			
Mr. Riley			
	To Handle		Note and File
	Appropriate Disposition		Note and Return
	Approval		Prepare Reply
	Comment		Per Our Conversation
	Full Report		Recommendation
x	Information		Signature
	Initial		Send On
REMARKS Don't we already have this in our file 			
From T. C. Greyke			

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

OFFICE MEMORANDUM

TO: Section Heads

DATE: September 27, 1967

FROM: L. J. C. Evans

SUBJECT: UNDP/SF Projects - Procedures for Bank/FAO
Cooperation

1. Following discussions between the parties concerned - UNDP, FAO and Bank - it has been agreed that a major effort should be made to increase the number of UNDP/SF projects which would be investment orientated and lead to investment by financing agencies.

2. FAO (the regular Divisions, not the Program team) is normally the executing agency for UNDP/SF agricultural projects. FAO frequently becomes involved with UNDP/SF projects in their formative stages and long before they take the form of a request from the Government concerned to UNDP/SF. (In fact, most UNDP/SF projects in agriculture are initiated by FAO personnel.) It has been agreed with UNDP and FAO that, in respect of certain projects selected by the Bank and FAO because they hold out good prospects for investment (or give strong support to investment projects), the Bank and FAO will exchange information and views through all stages from conception to completion.

3. In all normal circumstances, the channel for exchange of views, comments and requests will be through the Cooperative Program team in FAO and through the Agriculture Division in the Bank. Within the Division, the Special Studies and Technical Assistance Section will be responsible for obtaining and coordinating the views of other Sections as appropriate, conveying these views to the appropriate quarters, and for maintaining the required contact with the Cooperative Program team on all UNDP/SF matters. All inward and outward FAO mail will continue to be routed through the Division's FAO/IBRD Cooperative Program office (Program office).

4. The Division is therefore now concerned with:

A. Commenting on Government Requests to UNDP which are received in the Division from DSD via the Front Office. The procedure for dealing with these is unchanged and is as set out in my memorandum of March 23, 1966 except that it will be necessary to coordinate the views expressed with those expressed by the Program team to FAO (see para 4.(b)(ii)), and to provide one additional copy of the Division's comments for transmission to the Program team. Any serious discrepancy between the views expressed by the Program team and those held by the Section should be brought to the notice of the Special Studies and Technical Assistance Section immediately.

Such a difference would be the subject of urgent consultation within the Division and between the Division and the Program team (by cable if necessary, or exceptionally by phone).

B. Exchanges of views and information with FAO through the Program team. This activity is likely to take many forms, but probably can be subdivided into three main categories:

- (i) Receipt of copies of exchanges between the Program team and the Executing Division of FAO on UNDP/SF studies which are in any stage of preparation.
- (ii) Receipt of copies of the Program team's comments on UNDP/SF Requests from Governments. A copy will be sent to the Division at the same time as it is sent by the Program team to FAO.
- (iii) Receipt of copies of Progress Reports or other activities connected with the UNDP/SF projects which are on the Agreed List of Projects of Special Interest which, it has been agreed, the Bank (through the Program team) will keep under close observation in cooperation with the Executing Division of FAO.

5. The procedure for dealing with correspondence referred to in 4.B. above will be:

- (i) All incoming and outgoing correspondence will be channelled through the Division's Program office. All inward mail will be acknowledged by that office and then be passed to the Special Studies and Technical Assistance Section which will be responsible for obtaining the views of the appropriate subject Section within the Division.
- (ii) Section Heads will forward their views to the Special Studies and Technical Assistance Section in the form of a draft memorandum addressed to me which, after clearance as necessary, will be forwarded to the Program team through the Division's Program office.
- (iii) Much of the correspondence may be for information or may not require a reply, in which case the subject Section will return the correspondence so marked to the Special Studies and Technical Assistance Section.
- (iv) In all cases, it is important that the respective positions of the Division and the Program team on the same Request should be ascertained. Any substantial differences should be immediately brought to the attention of the Special

Studies and Technical Assistance Section which will be responsible for initiating consultations with the Program team.

6. Attached is a list of the projects discussed at the first review of UNDP/SF projects in Rome in June 1967. It is intended that current and new UNDP/SF projects will be reviewed and the list amended from time to time. The projects marked "1/" are ones in which the Bank has expressed a "Special Interest".

TCCreyke:vmm

Attachment:

cc: Mr. Chadenet
Mr. Demuth
Mr. Riley
Mr. Wapenhans
Mr. Takahashi
Mr. Creyke
Mr. Dumoulin
Mr. Nelson
Mr. Veraart.

<u>Country and</u> <u>UNDP Number</u>	<u>Project</u>
<u>AFRICA:</u>	
ETHIOPIA <u>1/</u> ETH 11	Assistance in strengthening the Awash Valley Authority.
GHANA GHA 8	Fishery Research Unit.
KENYA <u>1/</u> KEN 11	Range Management. Division of the Ministry of Agriculture and Animal Husbandry.
KENYA <u>1/</u> KEN 16	Pilot Irrigation Scheme, Kano Plain.
MADAGASCAR MAD 14	Agricultural Development of the Morondava Plain.
MAURITIUS UK 37	Land and Water Resources Survey.
MOROCCO <u>1/</u> MOR 8	Study for the Planned Economic Development of the Sebou Basin.
MOROCCO <u>1/</u> MOR 15	Selected Feasibility Studies in the Sebou Basin and the Western Rif Region.
NIGER NGR 7	Development of Animal Production and Water Resources in Eastern Niger.
NIGERIA NIR 3	Soil and Water Resources Survey of the Sokoto Valley.
NIGERIA <u>1/</u> NIR 30	Livestock Development in the Sokoto Province
SWAZILAND <u>1/</u> SWA ?	Survey and Planning of the Usutu River Basin.
TANZANIA TAN 8	Southern Highlands Sheep Raising Project.
TANZANIA TAN ?	Livestock Development and Range Land Management.

<u>Country and UNDP Number</u>	<u>Project</u>
TUNISIA TUN 8	Integrated Rural Plan for Central Tunisia.
TUNISIA <u>1/</u> TUN 19	Training of Senior Accountants, Agricultural Accountants and Farm Managers. 2
TUNISIA <u>1/</u> TUN 20	Experiments and Demonstration on the Production of Selected Tree Crops, Forage and Livestock.
UGANDA UGA 4	Irrigation and Pilot Demonstration Project, Mubuku. 7
UGANDA UGA 8	Development of the Beef Cattle Industry.
 <u>ASIA:</u>	
AFGHANISTAN <u>1/</u> AFG 20	Kunduz-Khanabad Irrigation Feasibility Study.
INDIA IND 23	Pre-investment Study of Forest Resources.
INDIA <u>1/</u> IND 55	Pre-investment Survey of Fishing Harbors.
IRAN IRA 12	Integrated Planning of Irrigated Agriculture in the Varamin and Garmsar Plains.
KOREA KOR 10	Deep-sea Fishing Training Center, Pusan.
NEPAL <u>1/</u> NEP 7	Feasibility Study of Irrigation Development in the Tarai Plain.
PAKISTAN <u>1/</u> PAK 29	Hydrological Survey in East Pakistan (Phase II).
PAKISTAN <u>1/</u> PAK 37	Establishment of Irrigation Extension Training Centers in East Pakistan.

Country and
UNDP Number

Project

LATIN AMERICA:

ARGENTINA
ARG 18

Research and Demonstration on Forage
Production and Pasture Management in
the Mesopotamia Region.

ARGENTINA
ARG 20

Feasibility Study for the Development
of the Comahue Region.

ECUADOR
ECU 1

National Fisheries Institute.

ECUADOR
ECU 13

Pre-investment Studies on Forestry in
the North West.

GUATEMALA
GUA 7

Agricultural Diversification in
Marginal Coffee Areas. 2

PERU
PER 15

Irrigation of the Pampas de Olmos.

PERU
PER 23

Land and Water Use Surveys for the
Development of the Huarura River Basin.

PERU
PER 27

Fishery Research and Development
Project.

VENEZUELA
VEN 1

Agricultural Survey of Selected
Watersheds.

LATIN AMERICA
REG 35

Development of the Merim Lagoon
Basin (Brazil and Uruguay).

EUROPE AND NEAR EAST:

CYPRUS ^{1/}
CYP 6

Surveys, Demonstration and Planning
of Water Resource Utilization.

JORDAN
JOR 9

Investigation of the Sandstone Aquifers
of East Jordan. 7

SPAIN
SPA 9

Hydrogeological Investigation in the
Guadalquivir River Basin.

September 27, 1967.

OFFICE MEMORANDUM

see file

TO: Mr. Vincent J. Riley

DATE: July 31, 1967

FROM: P.A. Reid

SUBJECT: Availability of Cooperative Program Reports

1. Mr. Evans has asked me to reply to your memo of July 25 to him on this subject.
2. Most IBRD/FAO Cooperative Program reports are project preparation reports. The purpose of project preparation missions is to assist the Government in preparing a feasibility study of the project for submission to IBRD/IDA for consideration for financing. The missions work closely with local officials and encourage them to participate in preparing the feasibility study. In cases when the mission is unable to persuade the Government to adopt a certain attitude, sections of the report may represent the views of the Government, rather than those of the mission. In such cases the Program's reservations and divergences are privately conveyed to the Bank in a covering letter at the time the draft report is submitted to us for informal comment.
3. Any Bank comments are incorporated in the draft report as the Program feels practicable and, after Bank agreement, the draft report is submitted to the Government. The reports are normally forwarded to the Government through the FAO Resident Representative who, in this capacity as country representative, may be asked to discuss the report with the Government. The Government is free to amend the draft report as it wishes before presenting it to the Bank as a project submission.
4. Under the procedures outlined above, the Program's preparation reports never reach "final form" in the sense that Bank reports do and, indeed, may not fully reflect the Program's own views. A further consideration is that the reports are prepared to assist the Government and the Government may not wish the report to be circulated other than to the Bank.
5. The question of making these reports available to UNDP (and to WFP and similar bodies) has been raised many times and was again discussed during the Bank/Program/FAO review of UNDP projects in Rome last month. Mr. Ergas's view, which I share, is that there should be no automatic distribution system and that distribution other than to the Bank and the Government could only be considered on the merits of any particular case. When reports have been made available to other parties, Mr. Ergas has first obtained the permission of the Government to do so, and distribution has always been from Rome, not from Washington.

Mr. Vincent J. Riley

- 2 -

July 31, 1967

6. In addition to undertaking FAO-led identification and preparation missions under the Program, FAO also participates in Bank-led missions (mainly appraisals and economic reviews) and contributes to the reports of these missions. Distribution of these reports is according to the automatic distribution system referred to in your memorandum.

7. I will be in Washington for some time and would be pleased to discuss the question with you further if you wish.

PAReid/mrer

cc: Messrs. L.J.C. Evans
D. Ballantine

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OFFICE MEMORANDUM

TO: Mr. Vincent Riley

DATE: July 27, 1967

(Typed August 2, 1967)

FROM: Gregory Votaw *GV*SUBJECT: INDIA: FAO/IBRD Cooperative Program Reports on Fisheries

1. You called the other day regarding reports prepared under the FAO/IBRD Cooperative Program concerning Indian fisheries projects. There have been two reports, 11/66/Ind.4 and 6/67/Ind.7, dated July 25, 1966, and May 26, 1967, respectively. I am attaching my personal copies, although I understand from Stephen Eccles that you have been able to obtain copies elsewhere. If need be you may send these to New York but with an urgent request that the UNDP seek copies from FAO Rome as soon as possible, so that these copies can be returned to me. (Quite frankly, I had never seen the most recent report until I began searching out copies in response to your request, and I would like a chance to read it as soon as the UNDP can return it.) UNDP may find this copy of the earlier report somewhat difficult to read, as I did, because so many of the pages are upside down; perhaps they could ask FAO to supply both of us with properly bound copies.

2. The two reports concern the same general proposal, and the latest one is really a supplement to that of last year. I should also add that some of us in the Bank have substantial reservations about the organizational arrangements proposed in the report, and it is my understanding that at least some of these reservations are shared by officials in India who are responsible for fisheries development. There is therefore nothing sacred about the proposals in these reports which are still the subject of very active discussion; and I personally would expect the project to be substantially reformulated before any Bank Group financing could be made available.

3. On the phone we discussed briefly the general problem of keeping the UNDP informed of activities under the Cooperative Program. As far as New Delhi is concerned, I think this is being taken care of by the Bank's office providing the UNDP Resident Representative with copies of all reports emerging from the Program, supplemented by periodic informal consultations between the resident offices of the Bank and the UNDP. I hope you will be able to work out some regular system for keeping the New York office of UNDP informed, to the extent that this is desirable, and I would be glad to cooperate in any proposals which your Department puts forward.

Attachments

GVotaw/pop

cc: New Delhi Office

Mr. Lionel J.C. Evans
Mr. Duncan S. Ballentine
Vincent J. Riley

July 25, 1967

Availability of Cooperative Program Reports

In the course of following up on a request from the United Nations Development Programme for copies of a Bank/FAO Cooperative Program report on fisheries development in India, it has come to our attention that at the present time these reports are not being transmitted on a regular basis to either the UNDP headquarters in New York or to UNDP Resident Representatives in the countries involved. Since the latter are normally aware of Cooperative Program Mission visits and normally advise UNDP headquarters, we are frequently called upon to get such reports on an ad hoc basis. Would it be possible to work out some system whereby each of these parties would receive a copy of all Cooperative Program reports when they appear in final form? Could we, perhaps, adopt the automatic distribution system currently in effect for Bank reports, or some modification of it if that is too elaborate? If so, would it be better to have this distribution from here or from Rome?/Paris?

VJR:fph

FEB 20 2025

WBG ARCHIVES

L.J.C. Evans

Discussions in Rome with FAO and UNDP on Investment Possibilities Arising from UNDP Projects

The meetings took place at a time of uncertainty within FAO about possible changes in FAO structure. There has been a Commission which may propose important changes. Henry Ergas is confident that the proposals will come out the way he wants them, i.e. with a continuation of his team and with the recognition that the team has a possibly important coordinating role to play within FAO.

I understand that during the first day of the meetings when Mr. Chadenet was present there was some fairly open hostility from one or two FAO Divisions (particularly the Land and Water Division) to the FAO/IBRD Cooperative Program, to the Ergas team and to the Bank. The Land and Water Division argued that despite the Bank's public pronouncements, it was only paying lip service to the importance of agriculture and that agricultural lending would always remain relatively unattractive to the Bank. This was refuted by Bank representatives.

Whereas there is a certain amount of ill feeling between the Head of Land and Water Division (Saouma) and Henry Ergas, there does seem to be a much better relationship between officers at the working level.

There is also opposition to the Ergas team from the Animal Production Division, but little if any personal animosity here. It is just that the Animal Production people think that the Bank would do better to communicate direct with Divisions than to have a special team within FAO.

It is clearly easier for the Ergas team to get support from Divisions such as Forestry, Fisheries and Economic Analysis than from Land and Water and Animal Production.

Throughout the meetings, Bank representatives had to confirm the necessity of an integrated approach to project work. In this we were confirming what the Ergas team has been saying within FAO for the past two years. In fact, one of the achievements of the meetings probably was

that the Bank was able to confirm to a wide FAO audience Bank support for the Ergas team.

Bank representatives were pleased to find that communication between the Ergas team and most other Divisions in FAO on Special Fund projects has increased. There has been cooperation at the working level even when Directors have been rather standoffish. This kind of cooperation between the team and other Divisions, for which we have been pressing for some time, is gratifying.

Amongst the attachments to this memorandum is a draft letter about procedures which is in the form of a letter from Ergas to me. We may want to suggest some amendments and so may FAO.

On the whole, I was rather pleased with the way the meeting went and I believe that we may get useful results in the future. If we can work more closely together on selecting UNDP projects and if FAO Divisions progressively lose their mistrust which they have towards the Cooperative Program, we should begin within a year or two to get some UNDP projects in a form in which they can be considered for financing. These projects are potentially such an important source of investment projects that work on them ought to have high priority in the Cooperative Program.

LJCEvans/cq
IBRD

cc: Mr. Aldewereld
Mr. Demuth

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

OFFICE MEMORANDUM

TO: Mr. L. J. C. Evans

DATE: July 10, 1967

FROM: J. Dumoulin

SUBJECT: FAO ROME - BANK/FAO Cooperation in connection with
UNDP/SF Projects
Back-to-Office Report

1. A series of meetings were held at FAO Headquarters, Rome, from June 26 to June 30, 1967, to review UNDP/SF requests and ongoing UNDP/SF projects which appear to be of a pre-investment character, for which FAO is or would be the executing agency and in which the Bank and/or the FAO/IBRD Cooperative Program had expressed a "special interest"; and to consider arrangements for the exchange of information and coordination between the Bank and FAO in the implementation of such requests and projects.

2. The participants to the discussions were representatives of the UNDP/SF (R. Heurtematte), the Bank (B. Chadenet 1/, L.J.C. Evans 2/, P.A. Reid, T.C. Creyke, J. Dumoulin, M. Veraart), the FAO/IBRD Cooperative Program team, and several departments and divisions of FAO (Economics Department and its Economic Analysis Division, Fisheries Department, Forestry and Forest Products Division, Budget and Coordination Department, Land and Water Use Development Division, Coordination Assistance Division, Rural Institutions Division and Animal Production Division).

3. Thirty-seven UNDP/SF requests or projects were reviewed, out of which some twenty-three are of varying degrees of "special interest" for the Bank. The FAO/IBRD Cooperative Program will participate in the implementation of these in cooperation with the various FAO substantive Divisions.

4. Attached to this Back-to-Office report are the following:

- a) Note on the meetings by Messrs. Creyke and Dumoulin;
- b) Draft aide memoire on a meeting prepared in Rome; this note is in two parts, Part A dealing with the general consideration and Part B with specific project actions agreed upon;
- c) Draft letter of procedures prepared in Rome. (The contents of this letter were discussed between the Bank representatives

1/ First day only.

2/ Last two days only.

Mr. L. J. C. Evans

- 2 -

July 10, 1967

and the FAO/IBRD Cooperative Program team and it is understood that both FAO and the Bank may wish to suggest amendments).

JDumoulin:clv

IBRD

Attachments

Cleared with and cc: Mr. T. C. Creyke

cc: Messrs. Aldewereld

Chadenet

Bell

Piccagli

Spottswood

Lipkowitz

Sadove

Springuel)

Chaufournier)

McIvor) Area

Goodman)

Fontein)

Demuth/Hoffman

Riley/Eccles

Miss Powell

Miss Van Gasse

Note on the Meetings - (By Messrs. Creyke and Dumoulin)

1. The review was the first in a series which it was hoped would establish a method whereby the combined efforts of UNDP, FAO and BANK could produce an additional flow of projects which would be investment orientated and lead to investment by a financing agency.

2. At the opening meeting, the representatives of the Bank (B. Chadenet, and T. C. Creyke) welcomed the opportunity for discussion, outlined the present position and future prospects for the financing of agricultural projects: (i) lending for agriculture now has the high priority in the Bank's operations which is likely to be maintained and the funds available are likely to increase. It was emphasized that a major effective constraint on investment is the lack of well prepared and priority projects within the implementation capacity of the countries; (ii) to achieve the objectives of making UNDP projects more investment orientated, it is necessary to have an appreciation of the Bank's approach to project appraisal; (iii) a project must be viewed in its entirety and the component parts properly integrated. In the course of discussions, emphasis was laid on several occasions on the Bank's criteria for and specific approaches to project preparation and/or appraisal; (iv) in judging the viability of a project, the Bank attaches importance to the economic return but makes a clear distinction between the economic and the financial return. The Bank recognizes the importance of long term surveys and studies and considers that in some cases there need be no conflict between fundamental long term objectives and the staged preparation of development projects suitable for financing during the course of the study. There is need to have due regard to the phasing of development projects, surveys and studies in keeping with the financial, manpower, and implementation capacities of the country. As a result of this, the Bank's representatives outlined the following:

(a) The Economic Aspects: Priority of the project and consistency with sound national economic policy. Demand and market opportunity for the production, use of domestic resources and economic rate of return.

(b) The Technical Aspects: Based on sound technical principles; scale of the project; layout and design; availability of factors of production; realism of the construction schedule; cost estimates; technical staff available to the project; review of cost estimates (F.E. and local); and review of benefits anticipated.

(c) Organization and Management: Character of the project authority (Government departments, autonomous agency, etc.); staffing budgetary and financial arrangements, degree of autonomy (or authority), legislation; need for outside assistance.

(d) Institutional Aspects: Adequacy to support the project, extension, agricultural credit, land tenure, etc. Availability of factors of production (fertilizer, seed, etc.) as well as marketing of products.

(e) The Financial Aspects: Availability of local funds both for construction and operation and maintenance; financial management; revenues (water charges, interest rates, taxes, etc).

3. On the matter of long term and short term objectives, the Chairman (Mr. P. Terver) stated that FAO was primarily interested in the long term but that the concept of immediate limited action within the frame of the long term was quite acceptable.

4. So far as the UNDP is concerned, it was stated by its representative (R. Heurtematte) that UNDP attached the greatest importance to the FAO/IBRD effort. Although the end product of UNDP projects would ideally be investment, this could not always be expected. UNDP is setting up a unit to devote its attention to the investment follow-up of UNDP projects.

5. Some of the points which emerged in discussion were: (i) The Land and Water Division maintained that in many developing countries, agriculture enjoys low priority and suffers from lack of funds. Agriculture has low priority in Bank lending as evident by the small proportion of total loans and the size of individual loans. Agricultural loans are not attractive because of their relatively low cost benefit ratio. Concern was expressed that the poorer countries and necessary but low return projects were likely to suffer disproportionately because of the uncertain prospect for IDA funds; (ii) Reference was made to the critical shortage of managerial and organizational capacity, the inadequacy of the project approach to this problem and the need for the manpower training and institution building on a national scale; (iii) It was strongly emphasized that if the objective of making UNDP actions more project orientated was to succeed, it would be essential for the Bank participation to be introduced at the conception (pre-request) stage.

6. The Bank representatives strongly refuted the allegation of low priority for agriculture both by countries and by financing institutions and it was pointed out that agriculture was receiving more rather than less priority. The Bank asserted strongly that - leaving aside the temporary shortage of IDA funds - the main constraint on investment in agriculture was still the shortage of well prepared projects of sufficient priority and within the implementation capacity of the countries.

7. Bank representatives explained that the economic criteria for Bank or IDA projects are identical.

8. On the question of manpower, Bank representatives referred to the Bank's intention in certain cases to underwrite tenure for staff suitable for project management and to the activities of the ADS in East and Central Africa. The increasing activities of the Education Division of the Bank were stressed.

9. The use of consultants to fill some gaps in manpower was discussed and FAO expressed some disappointment in their experience of consulting firms.

10. Reference was also made to the difficulty in financing some of the more important factors of production, particularly extension research, farm inputs and recurrent expenditures generally.

11. In conclusion the Chairman stated that FAO favored the long term approach but would work very closely with the Bank and UNDP to try and solve the problem of a lack of projects suitable for investment.

AIDE-MEMOIRE ON A MEETING OF THE BANK
FAO AND UNDP ON INVESTMENT POSSIBILITIES
ARISING FROM UNDP PROJECTS

1. The review was the first in a series in which it was hoped that the combined efforts of UNDP, FAO and Bank would produce an additional flow of projects which would be investment oriented and lead to investment by financing agencies. In the course of the review some points of general relevance emerged concerning the consideration of projects by financing agencies.
2. In Part A of the following paper the general considerations are outlined and in Part B the specific project actions are considered.

PART A

3. It was re-emphasised that the Bank, FAO and UNDP all attached the highest importance to increasing the flow of investment finance to agricultural development projects. The shortage of well-conceived projects which fall within the implementation capacity of countries is a much more serious obstacle to the rate of investment in agriculture than the shortage of overall resources. This shortage of projects coupled with inadequate national or sector policies explain the low share of Bank investment in agriculture to date relative to its investments in other sectors. The trend in the volume of such investment however is upward, and it is confidently expected that it will be so maintained.
4. To help fill the gap in well identified and prepared projects, the Bank and FAO had initiated their Cooperative Programme. UNDP studies executed by FAO could become an important source of projects for consideration for financing, and the Programme has a major role in this regard.
5. It was realised that not all UNDP projects would be of direct investment interest. Some of them consisted essentially of surveys of resources which could be developed only in the far distant future; others concerned the build-up of institutions.

./...

6. Phasing of development projects surveys and studies need to be in keeping with the economic, manpower and implementation capacities of the country. There need not however necessarily be conflict between the short and long-term approaches; while a broad perspective such as, for instance, could be given by the Indicative World Plan, national development programs and resource surveys, is useful for the identification of projects, the task of preparing projects for investment in the short-term could and should proceed in parallel with such exercises which are of a continuing nature. Projects for immediate investment action and consideration, often have long development periods and hence the emphasis was on the short-term opportunity to consider investment in a particular project and not necessarily on the short-term impact. Finally, "social" and "economic" considerations were not necessarily mutually exclusive; on the contrary, in the development process, they often reinforced each other. All "good" investment projects have a substantial social impact in the long run; on the other hand, projects designed exclusively with "social" considerations in mind, which have no economic justification in the broad sense of the term, eventually aggravate the shortage of resources. The costs of such projects must at least be explicitly recognized.

7. Where projects are designed to build up institutions and promote research, the institutions so built up are in some cases of great support to Bank financed projects and, in addition, the Bank is interested in financing projects in agricultural education.

8. To achieve the objectives of making UNDP projects more investment orientated, it is necessary to have an approximation of the Bank's approach to project appraisal. The project must be viewed at its entirety and the component parts properly integrated. The final synthesis must be borne in mind from beginning to end. With this qualification, the Bank considers five main aspects:

(a) The Economic Aspect: Priority of the project and consistency with sound national economic policy. Demand and market opportunity for the production and rate of economic return. Economic impact of various forms of organization (e.g. settlement v plantations); use of domestic resources; orientation towards export promotion or import saving; extent of mechanization. The economic aspect is quite distinct from the financial aspect (see below).

(b) Technical: It is obvious that the technical basis of a project must be "soundly" established. The scope and depth of the technical studies required would vary according to the nature of the project, and of experience and conditions in the country. The technical considerations include the scale of the project, its definition, the realism of the construction schedule, estimates of costs, and also of benefits. It is clear that however complete the studies might be, absolute certainty cannot be achieved in forecasting particularly such factors as yields.

(c) Institution: The institutional evaluation of a project relates to the possibility of carrying out a project in the context of the existing institutions of a country; by institutions meaning, e.g. the tenure situation, the market structure, the availability of credit to farmers, the legal framework within which agriculture operates and so forth. Unless these institutional factors are adequately oriented to the proper functioning of development projects, the projects cannot be successful. Thus, from the very beginning there must be consideration of what is necessary in the way of revision or improvement of institutional arrangements to enable the project to be carried out.

(d) Organization and Management: This heading covers the character and status of the project authority (government department, autonomous agency), its relation with other bodies concerned with operating the project, the division of responsibilities between them, the number and quality of personnel required at different levels in the organization. The Bank takes a pragmatic approach to the nature of the project authority; in appropriate cases it favours an independent entity established especially for the purpose of executing the project; in other cases, especially where there is a danger of weakening government departments, it may be appropriate to operate through these departments provided the necessary staff and other members are taken to secure the adequate operation of the project.

(e) Financial: The Bank makes a clear distinction between the financial and economic aspects of a project. While the Bank insists in every case that a satisfactory economic rate of return can be foreseen for the project, the Bank does not insist that all projects be financially self-liquidating as, for instance, in its consideration of its education, and most of its road and irrigation projects. The financial aspects of a

project include the availability of local funds for construction and operation and maintenance, financial management; revenues (water charges, interest rates and taxes). The financial analysis is at least at two levels: that of the individual operators of the project (e.g. farmers in irrigation projects; fishermen in fisheries), and secondly at that of the entities responsible for operating the project.

9. The interrelationship of all these aspects is evident. This is why the Bank uses a team approach in its analysis to secure a combination and not merely a collection of expertise.

PART B

Country, FAO Code	Project Title	Major issues discussed	Action to be taken
ETHIOPIA ETAH 4 Operational since September 1966 2 years	Strengthening of the Awash Valley Authority	Possibility of working out preliminary project proposals for development of 20,000 has. in Middle Awash Valley contemporaneously with assisting in reorganizing and strengthening A.V.A. This would assist the Government in coming to necessary policy decisions regarding, for instance, the emphasis to be placed on public as opposed to private enterprise.	A meeting will be held in Addis in October to discuss status and future of project. C.P. will be invited to attend with a view to assisting Government in identifying or preparing project. Meanwhile maximum effort should be made with preparation to enable judgement.
GHANA GHA 6 Operational since October 1966 5 years	Fishery Research Unit	Relationship of project with overall fishery development in Ghana. Feed-back for other fishery development projects in W. Africa. Economic evaluation of various research lines.	Await return of Beaver mission. Possible need for reorientation of purse seine research to support investment prospect.

Country, FAO Code	Project Title	Major issues discussed	Action to be taken
KENYA KEN/10 Not operational KENYA KEN/8 operational since October 1966 5 years	Pilot Irrigation Scheme, Kano Plain Range Management	No discussions View expressed that loan application may be premature and should have awaited outcome of work of the SF Range Management Unit, but this fear appeared unfounded in view of close association of staff with preparation of loan request and presence of A.D.S. on coordinating committee. Also view expressed that too much importance given to wildlife management, but this view possibly unjustified in view of competition for pasture resources with domestic animals, importance of tourism, and possibility of game cropping. These points will be evaluated by economist to be appointed.	- Continued close association in view of present and future investment possibilities. Coordination to be maintained by Nairobi office and visits by C.P. as required.
MAURITIUS MRI/1 operational since January 1965 3 Years	Land and Water Resources Survey	Hydrological resource inventory originally envisaged, in view of competition of domestic with agricultural water usage, now completed. Project extended to include feasibility studies of two possible irrigation projects but economics of crop diversification based on irrigation development doubtful in view of comparative advantage of rainfed sugar cultivation. Bank hesitant about promotion of sugar production for export, results of recent Bank economic mission requested.	C.P. review of revised irrigation project which SF team is now preparing.

<u>Country, FAO Code</u>	<u>Project Title</u>	<u>Major issues discussed</u>	<u>Action to be taken</u>
MOROCCO MOR/8A Operational 1 year	Selected Feasibility Studies in the Sebou Region	Feasibility study for first phase (arabat project) completed but Government having second thoughts about form of institutions (land tenure) proposed. Need to prevent disbandment of S.F. team after end of project. Bank's position is that it must await outcome of Project Review Mission and manpower study, due mid-August.	FAO should communicate with Government suggesting that it should present the S.F. report with its comments and qualifications to Bank for initial review pending decision on institutional arrangements.
MOROCCO MOR/8B Field operation completed since March 1967 1 year	Selected feasibility Studies in the Western Rif.	Feasibility studies completed but not yet officially presented to Bank. Bank's position as for MOR/8A. Query concerning possibility complementary financing for follow-up of W.F.P. land conservation project in Derro area. CP and Bank believe land conservation as such in that area has low priority for financing. Need for consistent evaluation of projects.	As in MOR/8A.

<u>Country, FAO Code</u>	<u>Project Title</u>	<u>Major issues discussed</u>	<u>Action to be taken</u>
NIGER NCR/1	Development of Animal Production and Water Resources in the East of Niger.	Possible projects have low economic returns. Institutional problems related to marketing (tariff barriers etc.) export production. Results of project relevant to C.P.'s proposed W.A. Livestock Reconnaissance Mission. Because of uncoordinated reports of field experts, need for review of findings in field, possibly November 1967.	Consideration of Cooperative Program attendance at Review Meeting. Coordination with W.A. Livestock Reconnaissance Mission.
NIGERIA NIG/a	Soil and Water Resources Survey of the Sokoto Valley.	Economics of project (Bakolori Dam) uncertain because of lack of knowledge by farmers of double-crop irrigated agriculture, and the need to combine livestock with crops (irrigated forage). While physical conditions are suitable, there is a serious staffing shortage in N. Nigeria, and a programme of agronomic investigations must be set on foot.	Cooperative Program to review economic evaluation now being carried out by project economist.

<u>Country, FAO Code</u>	<u>Project Title</u>	<u>Major issues discussed</u>	<u>Action to be taken</u>
NIGERIA NIG/13 under consideration 5 years	Livestock Development in the Sokoto Province	Importance in context of settlement of nomadis peoples and relationship with Sokoto project (NIG/2). Sociology studies required.	No immediate investment prospects but progress should be reviewed by the Cooperative Program.

<u>Country, FAO Code</u>	<u>Project Title</u>	<u>Major issues discussed</u>	<u>Action to be taken</u>
TANZANIA TAN/5 Operational since March 1966 5 years	Southern Highlands sheep raising project.	Preliminary stage investigation showed barley more suitable than wheat. Technical aspects project now going very well indeed with rapid introduction mixed sheep and barley enterprise, but soil and ecological surveys of whole plateau needed if wide extension envisaged. Major problem of institutional arrangements and/or land-use policy in view likely build-up of population pressure e.g. crop or livestock farming? Are small intensive sheep holdings appropriate and viable?	Consultation with Nairobi office, and with Government to assist decision on policy and institutional aspects.
TANZANIA TAN/6 Under consideration advance recruitment 1 year	Livestock Development and Range Land Management	Study and investigation should be specifically oriented towards investment proposals with tie-up of commercial ranching and peasant livestock farming. Appraisal of Kenya ranching loan application relevant. Project to be formulated by S.F. mission August 1967.	Bank appraisal mission due next two-three months should make contact with S.F.

<u>Country, FAO Code</u>	<u>Project Title</u>	<u>Main issues discussed</u>	<u>Action to be taken</u>
TUNISIA TUN/3 Completed January 1967 3½ years	Integrated Rural Plan for Central Tunisia	Request originally concerned establishment of Development Authority, but unlikely to be maintained and new request for technical assistance will be made concerning establishment of dossiers for cooperatives (feasibility studies at the level of each cooperative); studies for some minor irrigation development and for training. Contract would be passed with Italian Consultant firm for establishment of these dossiers.	Not designed to produce Bankable projects, but should be looked at during proposed Bank Mission in September.
TUNISIA TUN/5 non-operational 4 years	Training staff for agricultural education and production, Tunia.	Request appears very ambitious in terms of resources required. However, curriculum and training provided closely relevant to ongoing and possible future Bank projects in Tunisia, especially in view of crucial importance of manpower shortages. Possible Bank interest in provision of training facilities.	Question to be raised at next FAO/IBRD Review Meeting, Washington.
TUNISIA TUN/6 Non-operational 5 years	Experiments and demonstration on the production of selected tree crops, forage and livestock.	Project provides support for Bank Cooperative Farming Project Application of experimental results to assist Cooperative Project and lines of research should reflect needs of Cooperative Project.	Keep informed on results and progress with view to maintaining common objectives.

<u>Country, FAO Code</u>	<u>Project Title</u>	<u>Main issues discussed</u>	<u>Action to be taken</u>
UGANDA UGA/1 Operational July 1964 4 years (but extension expected)	Irrigation and pilot demonstra- tion project in the Mubuku	Need for Government policy decision concerning institu- tional arrangements (smallholder versus estate development) related to problems of possible cropping pattern and organization arrangements for project development. General priority of irrigation development in Uganda. Results Bank Review Mission requested.	Await report consultant expected in early autumn. Review situation in light of this report and priority irrigation in general economic develop- ment program.
UGANDA UGA/3 non-operational 5 years	Development of the Beef Cattle Industry	Interest because of coordi- nation with possible Bank livestock project. Recent Bank mission to Uganda found considerable ongoing research and experimental work of high quality on livestock production. Need for coordination on technical aspects. General need for integration of live- stock industry in total development picture of the country. Need for common livestock policy for Uganda, Kenya and Tanzania in view of E. Africa livestock survey.	Care to avoid overlap between work of project and work already completed. Suggest emphasis on land use and selection of potentially productive areas.

Country, FAO Code	Project Title	Major issues discussed	Action to be taken
IND/4	Pre-investment study of forest resources	Relationship between 1966 FAO/IBRD Cooperative Programme Forestry Mission and UNDP pre-investment survey of existing forestry resources. Need to coordinate further planning of specific possibly bankable projects on basis of UNDP studies.	Maintain close liaison with Project Manager and Government concerning possibility of UNDP project staff assisting in the preparation of specific bankable pulpwood plantation projects at a later stage.
IRA/11	Integrated planning of irrigated agriculture in the Varamin-Garmsar Plain.	Need for tie-up between studies and actions carried out in 100 ha. pilot area and overall development proposals, with full application of economic studies. Importance farm credit in farmers development activities.	Review possibility integrated development project along lines pioneered by Ghazvin project with view making investment proposals before end 4-year SF project.
NEP/3	Feasibility study of irrigation development in the Taran Plain.	Planop for the second phase makes provision for studies of the groundwater potential of the project area as well as investigating the Sun Kosi diversion. Desirability of identifying a first stage development area at an early stage of the study. Decision on the Karnali hydro project will affect the feasibility of the Sun Kosi diversion project. Other uncertainties like agreement with India on sharing of water, marketing of power, government's resources and capabilities for undertaking a major irrigation project. Bank's interest only in groundwater possibilities not in the Sun Kosi project.	No action required until the consultant's first interim report (in 1968) when a first stage groundwater project might be considered. Programme and Bank will then consider sending an Identification Mission.

<u>Country, FAO Code</u>	<u>Project Title</u>	<u>Major issues discussed</u>	<u>Action to be taken</u>
INDIA IND/15 non operational 5 years	Pre-investment survey of fishing harbours	Likely that first major work is to get harbour proposal for VISAK, TUTICORIN and MANGALORE to construction stage. These ports involved in 1966 Bank Mission proposals.	Maintain close coopera- tion between Bank includ- ing transportation and port experts.
KOREA KOR/3 operational since December 1964 5 years	Deep-sea Fishing Training Centre, Pusan	Outstanding feature of project is the extent of Government support which has contributed largely to the success of the project. Project aim in training of necessary skills- an essential Bank objective. Possibility of extending range of training to include in-shore fishermen.	Cooperative Programme to follow progress.
GUATEMALA GUA/4 operational since October 1964.	Agricultural diversification in marginal coffee areas.	Limiting diversification efforts only to the coffee growing areas imposed serious constraints on the possibili- ties for developing viable projects capable of making an impact. The need to find attractive alternatives and for Government to apply proper fiscal measures, e.g. taxation if projects proposed are to be accepted by the farmer. Present status of projects is largely "pilot" in nature.	Any new UNDP requests for diversification should be viewed in a broader con- text. This project will be included in the next review of Bank/Programme activities with a view to a possible identification cum preparation mission. Bank has definite interest in final storage projects, as a basis for farming judgement about investment possibilities.

<u>Country, FAO Code</u>	<u>Project Title</u>	<u>Major issues discussed</u>	<u>Action to be taken</u>
PAKISTAN PAK/11 Non operational (but limited activities on advance recruit- ment basis)	Hydrological survey in East Pakistan (Phase II)	Importance providing essential data for planning the use of hydro-logical resources in the context of the Master Plan for East Pakistan. Keen interest in adjustment of priority to fit development needs.	Follow progress closely.
PAKISTAN PAK/13 under consideration	Establishment of irrigation extension training centres in East Pakistan	The need for trained extension staff in improved water management and use. Intention to send review team in October to firm up proposal and relate it to experiences in other development areas. Need to investigate the suitability of EPMADA as the responsible body.	Follow up closely and consider request participation in UNDP review mission being considered for October.
ARGENTINA ARG/9 operational since October 1964	Research and demonstration on forage production and pasture management in the Mesopotamia region.	The suitability of the area for investment following studies completed and in progress. Need to view project within the pattern of national livestock development, and particularly the need for breeding stock.	Discussion at next FAO/IBRD Review Meeting in Washington.

<u>Country, FAO Code</u>	<u>Project Title</u>	<u>Major issues discussed</u>	<u>Action to be taken</u>
ARGENTINA ARG/10 operational since September 1966 2 years	Feasibility study for the development of the Comahue region.	Project could become of great priority if surplus power and water is derived from the CCC complex (Chocon Cerros Colorados dam). Decision is not know on the construction of the dam. The Bank is committed to financing power development in Argentina. If CCC financed, good investment possibilities may emerge from S.F. project, but Bank will consider financing only one power project.	Discussion at next FAO/IBRD Review Meeting in Washington
ECUADOR ECU/2 completed December 1966	Fisheries Institute	No discussion	
ECUADOR ECU/5 operational since November 1963 5 years	Pre-investment studies on forestry in the north west.	No discussion.	

<u>Country, FAO Code</u>	<u>Project Title</u>	<u>Major issues discussed</u>	<u>Action to be taken</u>
PERU PER/6 Field operation Completed June 1966 3 years	Irrigation of the Pampas de Olmos	Place of large new irri- gation project in Peruvian development. Questionable basis of livestock assump- tions and proposals.	Send consultants' report together with FAO comments to Bank for review.
PERU PER/12 Operational since August 1966 3 years	Land and Water use Surveys for develop- ment of the Huaura River Basin.	Project originally con- ceived as pattern for re- organization of coastal valley irrigations. Increas- ing importance of specific investment proposals to be carried out concurrently with UNDP Master Plan studies.	Programme to express views on specific investment opportunities as they are identified.
PERU PER/13 non operational 4 years	Fishery research and development	Present serious situation in fishing industry likely to be accompanied by withdrawal of foreign experts. Shortage of trained local experts to con- tinue operations. Importance of economic and marketing aspects.	Possibility of new SF project or modification of existing project to investigate the method of increasing effi- ciency of whole industry from catch to market.
VENEZUELA VEN/2 completed	Agricultural survey of selected watersheds.	Large range of investment suggestions contained in project report.	Cooperative Programme to identify possible priority projects from UNDP report.

Country, FAO
Code

LATIN AMERICA
LAM/5
operational
since
August 1965

4 years

Project Title

Development of the
Merim Lagoon Basin
(Brazil and Uruguay)

Major issues discussed

Pre-investment report on
Olimar project (40,000ha)
submitted to FAO. Serious
doubts whether irrigation
of pastures and rice
economically sound.
Doubts also expressed as
to priority of this project
relative to other potential
Bank investments.

Action to be taken

Examination of report to
see whether there are any
possibilities for invest-
ment.

Country, FAO
Code

Project Title

Major issues discussed

Action to be taken

AFO/12
SWA/1
MAD/9

Kundum
Usutu River
Morondava

The three projects were discussed together. All three are feasibility studies for possible Bank financing and provide for a two-year study period. Projects being carried out by consultants. The Swaziland project is dual-purpose irrigation power project -- special problems may arise in FAO supervision.

Bank will continue to retain an interest and assist as required.

<u>Country, FAO Code</u>	<u>Project Title</u>	<u>Major issues discussed</u>	<u>Action to be taken</u>
CYPRUS CYP/3 Advance recruitment 2½ years	Surveys, demonstra- tion and Planning of Water Resources Utilization.	Original requirement was for feasibility study in Paphos. Project expanded to cover whole island with concentration on Paphos. Fear this might divert attention from key area. Question whether general survey should not be an integrated agricul- tural survey of which the place of a national plan for water development would have major import- ance.	Consideration to be given to modification of the present draft plan of operation to concentrate on Paphos as first priority and the possi- bility of a mission to reappraise the situation with a view to setting up an associated project on inte- grated agricultural develop- ment.
JORDAN JOR/6 Operational since November 1965 4 years (possible extension)	Investigation of the Sandstone Aquifers of East Jordan.	Investment possibilities stemming from the discovery of abundant groundwater by the project and its appli- cation to agricultural development.	Inclusion of a feasibility study in the project along with the pilot project which is to be included in the amended UNDP project.
SPAIN SPA/1 Operational since July 1966 3½ years	Hydrogeological investigations in the Guadalquivir River Basin	Necessity for planning Spanish irrigation in accordance with economic priorities. Encouraging possibilities for development in four areas. UNDP interest in financing feasibility studies stemming from this investigation.	Initiate proposals for feasi- bility studies in conjunction with or in addition to the present project.

Attachment (c)

cc: Mr. Terver
Mr. Ergas (chron)
Mr. Bhattacharjee
Mr. Jones
Mr. Bishop
Mr. de Lusignan
Reg. CP (4)
Mr. Reid, A268bis

30.6.67

C O P Y

BK-4/1

Letter No.

Dear Jim,

During our meetings this week we have discussed procedures which we might follow in order to promote closer collaboration between us under the Cooperative Programme on certain selected UNDP/Special Fund projects for which FAO has been or is likely to be appointed executing agency. I think we reached tentative agreement about procedures and the channels of communication and, after you have discussed them in Washington, I would be grateful to have your confirmation of or amendments to the procedures outlined below:

1. FAO and the Bank will arrange to review at approximately six-monthly intervals on-going and new UNDP projects. Appropriate action under the Cooperative Programme will be agreed for each project that is of special interest to the Bank.

2. As early as possible the Cooperative Programme Team will be made aware of requests which are being prepared within FAO through the normal operations of the divisions. (a) The Team will notify these ideas of requests to the Bank; (b) The Bank's reactions will be sent to FAO through the Team.

Internal arrangements will be made in FAO to enable team members to meet every week divisional officers to discuss Special Fund project ideas. It is also proposed to have monthly meetings with the liaison officers to the Programme of the subject-matter division.

3. In some cases requests are prepared by the UNDP, New York which,

Mr. L.J.C. Evans
Assistant Director - Agriculture
Projects Department, IBRD
1818 H Street, N.W.
Washington, D.C. 20433

for this purpose, sends or organizes missions to assist the governments concerned in preparing requests. If such requests look likely to be of special interest to the Bank, FAO should consult the Bank and, if the Bank agrees, participation in the UNDP mission may be arranged under the Cooperative Programme.

4. According to present procedures, after a government request is transmitted to the UNDP, a copy is forwarded to FAO and to the Bank for their comments. It is proposed that (1) the Cooperative Team's comments, which are transmitted internally to Mr. Terver, should also be transmitted to the Bank at the same time; (2) the Bank comments on the Team's comments be sent to the Team as soon as possible. If there should be substantial disagreement by the Bank with the Team's comments, the Bank should inform the Team as soon as possible so that FAO can take the Bank reactions into account; (3) copy of the consolidated letter from FAO to UNDP on the request should be sent to the Bank; (4) the Agriculture Division of the Bank will transmit to the Programme, for its own use, its divisional note on the request to Mr. Demuth, head of the Development Services Department. A copy of the letter from Mr. Demuth to the UNDP Special Fund will be forwarded to FAO.

5. According to present procedures, a request from a government, before finally approved by the Governing Council, is examined by the Inter-Agency Consultative Board which, in certain cases, may decide advance recruitment and the preparation of the Plan of Operation of the Project before formal approval by the Governing Council.

For such cases or whenever FAO and the Bank agree that the request for a project, of which FAO is to be executing agency, is of special interest to the Bank, the Cooperative Programme Team should be prepared to assist with the drafting of the Plan of Operations and of detailed terms of reference.

The Cooperative Programme should consult with the Bank on the drafting of terms of reference and, if consultants are employed, on the selection of consultants. When the Plan of Operations is sent to UNDP for its comments a copy of this Plan should be sent to the Bank.

6. During the lifetime of the UNDP project, there should be appropriate consultations between FAO and Bank, and the Cooperative Programme should be prepared to undertake periodic visits and such visits shall be arranged after consultation with the Bank, and with the agreement of the operating division in FAO responsible for the project.

7. Investment possibilities should be kept in mind during the whole course of the UNDP project and not only at the end of its implementation.

In certain cases, FAO may ask the Cooperative Programme to finalize feasibility studies to be presented as requests to the Bank. Where this requires not more than 6-8 weeks' work, FAO will appoint the Cooperative Programme as the operating division.

Should such work require more than 8 weeks, the Cooperative Programme may be designated by FAO as the operative division to supervise the work which may have to be carried out by consultants financed by the UNDP.

Yours sincerely,

I.H. Ergas
Director
FAO/IBRD Cooperative Programme

DECLASSIFIED

FEB 20 2025 CONFIDENTIAL
SecM66-241

FROM: The Secretary

WBG ARCHIVES

July 18, 1966

COOPERATION WITH FAO AND UNESCO

As requested at the July 12 meeting, the figures quoted by Mr. Aldewereld in his statement at that meeting on the working of the cooperative agreements between the Bank and FAO and between the Bank and Unesco are circulated herewith for the information of the Executive Directors.

*Please put in our
FAO Co-op Reg
file*

Distribution:

Executive Directors and Alternates
President
President's Council
Executive Vice President, IFC
Deputy Executive Vice President, IFC
Department Heads (Bank and IFC)

BANK-FAO COOPERATION

1. Number of Operations under Cooperative Program with FAO

From July 1, 1964 to June 30, 1966

Identification and Preparation	75
Appraisals	23
Technical Assistance	3
Economic and agricultural missions	28
Supervision	<u>8</u>
Total	137

These operations were conducted in 53 countries.

2. Position of Operations in Agriculture

The following figures show the number of operations in hand at December 1963, 1964 and 1965 and at June 30, 1966. The right hand column shows the number of these operations in which FAO is currently participating under the Cooperative Program:

	<u>1963</u> <u>Dec 15</u>	<u>1964</u> <u>Dec 15</u>	<u>1965</u> <u>Dec 15</u>	<u>June 30, 1966</u> <u>Total</u>	<u>Under</u> <u>Program</u>
Appraisal and negotiation	7	14	25	27	(16)
Identification & Preparation	19	39	42	54	(38)
Technical assistance	2	5	5	7	(0)
Economic missions and other activities	<u>2</u>	<u>7</u>	<u>29</u>	<u>)</u>	<u>(0)</u>
	<u>2</u>	<u>2</u>	<u>4</u>	<u>31</u>	<u>(15)</u>
Total	32	67	105	119	(69)

3. Volume of Lending for Agriculture

<u>Fiscal</u> <u>Year</u>	<u>No. Loans</u> <u>& Credits</u>	<u>Amount</u> <u>\$ Million</u>	<u>FAO</u> <u>Participation</u>
63/64	6	47	(0)
64/65	7	108	(1)
65/66	9	152	(5)*

* of which 4 were in appraisal only.

BANK-UNESCO COOPERATION

1. Position of Operations in Education

	<u>1963</u> <u>Dec 31</u>	<u>1964</u> <u>Dec 31</u>	<u>1965</u> <u>Dec 31</u>	<u>1966</u> <u>June 30</u>
Appraisal and Negotiation	3	3	7	10
Identification and Preparation	7	11	14	14
Technical Assistance	-	-	-	1
Economic Missions etc.	<u>3</u>	<u>3</u>	<u>7</u>	<u>7</u>
Total	13	17	28	32

2. Volume of Lending for Education

<u>Fiscal</u> <u>Year</u>	<u>No. Loans</u> <u>& Credits</u>	<u>Amount</u> <u>\$ Million</u>	<u>Unesco</u> <u>Participation</u>
63/64	2	17.60	(0)
64/65	3	29.50	(1)
65/66	4	33.95	(3)

S.A. Aldewereld
July 14, 1966

June 14, 1966

Your ref.: BK 3/1 Malawi

Mr. Oris V. Nello
Deputy Director-General
Food and Agriculture Organization
of the United Nations
Via delle Terme di Caracalla
Rome, Italy

Dear Oris:

I am replying further to your letter of May 25, concerning the Malawi case, in which you raise for our consideration an "issue of principle" arising out of the circumstances of that case. Your description of these circumstances in some respects differs so markedly from what I am given to understand took place that, before turning to the issue of principle, I want to give you our version of the facts.

In the first place, your letter states that FAO does not know what Mr. Storrar of the ADS advised the Malawi authorities during his visit to Malawi following the visit of Mr. Bishop of the Cooperative Program. But Mr. Gordon tells me that he told FAO what happened: that Mr. Storrar gave no advice at all. The Government questioned Mr. Storrar at length about Kenya's experience with land reorganization and settlement programs and he responded to the best of his ability. However, when asked whether the ADS could take on the job of preparing a project, Storrar replied that, since FAO was already involved, he could not discuss that possibility without prior clearance.

Secondly, Mr. Gordon, who had unsuccessfully tried to learn from FAO what Mr. Bishop had found and recommended, had no specific knowledge, prior to his arrival in Malawi at the invitation of the Government, of the Government's state of mind concerning the Special Fund project. Neither was he aware of the fact, which became apparent during his discussions, that the Government was seriously considering dropping the project. Hence there was no occasion for his consulting FAO prior to leaving for Malawi. It is my understanding that, in his discussions in Malawi, Mr. Gordon not only persuaded the Government that the project should not be abandoned, but, when asked whether the ADS would be prepared to undertake the Lilongwe project, among others, said that he could not give an answer without first consulting both Rome and Washington. He could hardly refuse to listen to the Government's story or proposal; he could only, as he did, refrain from

committing the ADS at that point. Mr. Gordon denies most emphatically that either he or Storrar encouraged, either on their own initiative or in response to a proposal from the Malawi authorities, a displacement of FAO by the ADS. On the contrary, all the evidence I have been able to collect indicates that they were at every stage solicitous of FAO's interest and responsibility. This is fully corroborated by Malawi ministers and officials to whom we have spoken.

As for the principle to which you refer, I agree unreservedly that there should be prior consultation between our agencies before either of them proffers advice or suggestions on a project which the other is carrying out. Mr. Gordon also subscribes fully to this principle. However, acceptance of the principle cannot mean, as a practical matter, that your staff or ours should decline to listen to Government officials who introduce into discussions the subject of a project assigned to the other. It can only mean that, in such a situation, they must refrain from reacting or making commitments or proposals until it has been possible to consult with Rome and Washington. I believe that was the point Mr. Gordon was attempting to make in his conversation with Mr. Terver.

Since we are in agreement on the issue of principle raised in your letter, even if perhaps not on what happened in Malawi, I hope we can consider this particular chapter closed and get on with the substantive job of carrying out the Malawi project.

With kind regards,

Sincerely yours,

Richard H. Denaith
Director
Development Services Department

SEBoskey: tab

cc: Mr. Gordon
Mr. Evans
Mr. Calika
Mr. Reid (Bank)

FAO/IBRD COOPERATIVE PROGRAMME

~~DRAFT~~ REPORT OF FAO-BANK REVIEW DISCUSSIONS

15-18 March 1966

Present:

Mr. O.V. Wells - Chairman

<u>Bank</u>	<u>FAO</u>
Mr. Aldewereld	Mr. Terver
Mr. Demuth	Mr. Ergas
Mr. Evans	Mr. Bhattacharjee
Mr. Reid	Miss Eid

For the discussions on the Bank's regional offices, Mr. El Emary and Mr. Matter of the Bank were also present.

(The agenda for the discussions is shown in Annex)

I. Points of General Importance

1. The meeting re-stated three basic premises underlining the approach to the discussions:

- (a) the objective of the Programme is the common task of promoting the agricultural development of member countries;
- (b) the Programme has proved worthwhile and the intention is to increase its scope and effectiveness;
- (c) the partnership between FAO and the Bank is a full and equal partnership; this implies consultation at all stages of the work, as is recognized in the Agreement.

2. Responsibilities of the two agencies have been set forth in the Agreement. FAO normally has responsibility for identification and preparation of projects and the Bank for their appraisal and supervision. However, it is recognized that there is no intention of creating watertight compartments. The objective is for the two institutions to work together in all phases of the task and it is desirable for members of each institution to participate fully in missions which are the responsibility of the other. FAO will continue to be kept fully informed of all the Bank's activities in the field of agriculture.

Relations with Governments

3. FAO has been presented with an increasing volume of requests from member Governments for missions to assist in project identification and preparation. Where FAO and the Bank both feel that promising projects are likely to emerge as a result of these missions, the Bank will normally agree to these missions although it is recognized that for reasons of general policy exceptions may occur.

4. The Bank will consult with FAO before communicating with Governments on matters in which the Programme has been involved or in which Programme involvement is specifically contemplated.

II. Fields of Cooperation and Functions of the FAO/IBRD Cooperative Programme

Identification Missions

General

5. FAO will organize with Bank agreement, as part of its routine activities under the Programme, short reconnaissance visits to countries where it has field programmes.
6. Brief stopovers of FAO personnel en route to or from agreed missions will not require prior agreement from the Bank.

Specific

7. Since identification missions fall under several categories, the nature of the work and the size and composition of such missions will vary from case to case.
8. There may be cases where large identification missions are necessary, but the Bank feels that in most cases such missions should be small.
9. Except for stopovers, as mentioned in paragraph 6, the Bank and FAO will agree in all identification missions on the general objectives of the mission, the general nature of the work, the approximate duration and the approximate size and composition. Detailed arrangements for implementation will be left to FAO's discretion.

Preparation Missions

10. This most important activity of the programme, and one for which FAO normally has responsibility, requires a flexible case by case approach.
11. It is agreed that:
 - (a) the government of the country concerned shall be associated as fully as possible with the missions, and for this purpose full consultation is required with all agencies interested in the project;
 - (b) one of the objectives of assistance in project preparation is the training of government officials in this work;
 - (c) in many cases there may have to be more than one visit to a country to help the government prepare a particular project;
 - (d) in order to enable adequate formulation and review of the proposed project, a short but integrated report is necessary.
12. Both organizations agree to consult, at whatever level may be necessary, to keep to a minimum disagreements on the nature, scope and arrangements required for assistance in project preparation. This will also apply to work undertaken by or with regional offices in so far as identification and preparation are concerned.

13. It will be the concern of both organizations to minimize the risk of disagreement between an FAO Preparation Mission under the Programme, and a Bank Appraisal Mission.

14. The provisions referred to in paragraph 9 concerning arrangements for identification missions, apply also to preparation missions.

Appraisal Missions

15. FAO will continue to be informed of all appraisal missions planned by the Bank, and it is desirable that it participates in such missions as often as possible.

16. FAO has been encouraged by the Bank to make its views known fully and promptly on any project presented to the Bank for appraisal in which it has special interest.

17. In those cases where FAO is invited to participate in appraisal missions, FAO will continue to have all the background information on such missions in good time before the appraisal.

18. When the Bank appraises projects identified by FAO, or projects in whose preparation FAO has been involved, the Bank will take full account of FAO's views at all stages of the appraisal and care will be taken not to give any contrary impression to governments.

19. Where certain aspects of a project in the categories covered by paragraph 18 run counter to Bank policy either for specific or general reasons, an exchange of views will take place between the FAO and the Bank. It is understood that such an exchange would be most useful at the identification or preparation stage.

End-Use Missions

20. It is desirable that FAO participation in end-use missions be increased.

Technical Assistance

21. The Agreement covers the granting by the Bank only of technical assistance for implementation of projects. It is recognized that it will often also be desirable for FAO to be associated with the Bank in technical assistance related to the preparation of agricultural projects. In these cases appropriate provision will be made for overhead expenditures incurred by FAO.

Economic Review Missions

22. FAO's interest in economic review missions is recognized and FAO's participation in these missions will generally be invited.

23. FAO will be kept informed of all relevant facts and background information regarding the reviews and will, wherever possible, be consulted on the terms of reference and composition insofar as these affect the agricultural sector.

24. With the exception of missions to Latin American countries, the Bank will make every effort to arrange for the chief of mission or the chief economist to stop over in Rome. For missions to Latin America, visits to FAO's Santiago Regional Office are recognized as desirable.

25. The first draft of the agricultural sector report will as often as possible be prepared in Rome.

Agricultural Review Missions

26. Agricultural review missions which are jointly sponsored by both organizations come under the Cooperative Programme. The Bank will normally request joint sponsorship with FAO of any agricultural review missions which it is asked to undertake. The two organizations will agree on the composition and membership of the mission, including the leader.

27. ~~(as an experimental measure it is agreed that)~~ operational responsibility for agricultural review missions organized under the Programme will be vested in a two-man Steering Committee with one member from each organization. The mission chief will report regularly to this Steering Committee.

28. All official advice and instructions to mission members, except the provision of technical data, will be channelled through the Steering Committee and the mission chief.

Education Missions

29. The Bank will keep FAO and UNESCO fully and simultaneously informed of its current and planned activities of interest to agricultural education, and consult with FAO on agricultural education matters.

30. The FAO will bring to the Bank's attention agricultural education projects which it considers of potential interest to the Bank.

31. In cases where UNESCO and FAO do not agree as to whether a mission in agricultural education is to be an FAO or a UNESCO responsibility, the Bank will have to make the decision, normally after calling a tripartite meeting. In making its decision the Bank will bear in mind that projects in agricultural education need to be seen against the background both of the overall education system of the country and of the requirements of the agricultural sector for trained manpower for development.

32. Regular reviews of potential activities in agricultural education will be undertaken.

III. The Means of Cooperation

33. All efforts will be made to secure a common approach for the evaluation of the agricultural sector and the appraisal of agricultural development projects. To achieve this, discussions on economic aspects of agricultural sector appraisal, which have been initiated with a Sub-Committee of the Bank's Economic Committee, will continue. Technical checklists to be used as points of reference in project work will be jointly elaborated.

Consultation on Specific Points of Importance to FAO Participation

Planning of Missions

34. Ad hoc planning of missions should be reduced to a minimum and it is hoped that the procedure which has recently been initiated by the Bank, to draw up schedules of economic review missions six months in advance, will contribute to this.

Contacts with Governments prior to Missions

35. FAO will inform the governments concerned in due time of missions for which it has responsibility under the Programme and make fullest use of its Country Representatives in the process. The Bank will also notify the Government of such missions.

Access to Information

36. All relevant information on missions in which FAO participates will be made available to FAO in due time.

Briefing and Debriefing of Missions

37. Care will be taken to ensure that sufficient time is given to briefing and debriefing in Rome of all missions of FAO concern, with the exception of those concerned with Latin America. In the latter case, visits to the FAO's Santiago office will be arranged whenever practicable.

Visits from Bank Staff

38. The desirability of visits to FAO by Bank staff from all Departments is recognised and vice versa.

Access to Reports of Bank Missions and opportunity to comment at an early stage

39. The Bank sends to FAO reports of concern to it at the same time as they are sent to working parties in the Bank or to the Economic Committee. FAO will comment promptly on these reports, if necessary by cable. Where substantive issues arise, the organizations will arrange for immediate discussions to resolve these.

Acceptance of FAO and IBRD Staff on Missions
of Common Interest

40. Although the Agreement does not cover any reference to the need for consultations between FAO and the Bank on the appointment of FAO staff on Bank missions, the FAO is willing to supply general information and consult with the Bank on the staff it appoints to such missions.

41. It is agreed that every effort will be made to keep queries on FAO regular staff to a minimum.

42. The Bank will consult FAO on the appointment of agricultural consultants on economic review missions in which FAO is participating and on appraisal missions of projects identified or prepared with FAO assistance.

43. It is desirable that FAO participate in appraisal of projects in the preparation of which it has been involved.

Use of Panel of Consultants

44. It is desirable that the use of ad hoc outside consultants should be kept to a minimum. For this purpose FAO has established a panel of consultants.

Use and Consultation of FAO Field Personnel

45. It is desirable that Bank Missions consult with FAO field personnel.

46. FAO Regional Office staff, to the extent possible, will be made available to work on missions in the areas of their concern.

Cooperation with the Bank's regional offices in Africa

47. It is recognized that very close contact and liaison shall be maintained between FAO and the Bank's regional offices in Africa. In order to ensure effective cooperation, it is agreed that :

- (i) the programme of these offices will be fully discussed periodically with FAO insofar as identification and preparation of agricultural projects are concerned;
- (ii) FAO will have access at the same time as the Bank, to the reports from these offices dealing with matters which are FAO's concern;
- (iii) regular visits from staff of these offices will be made to FAO Headquarters, and FAO's staff on the Programme will visit the Regional Offices whenever possible.
- (iv) FAO Personnel attached to these offices will report to FAO fully and regularly (once a month) on their activities, through the Director of the Office, who will promptly forward such reports with any comments he may have. Similarly, FAO's views or advice on policy or operational matters relating to the Programme will be addressed to the FAO Personnel through the Director of the Office.

IV. FAO/IBRD Cooperative Programme Budget

48. In view of the mandatory increases, and the increasing work in the Programme, FAO has proposed that the Budget for the 1966-67 biennium be raised from US\$1.8 million to US\$2.2 million. The Bank is receptive to this proposal subject to an examination of the trends of expenditures and to approval by the Board of Directors.

V. Fields of Interest Because of Current Developments

Closer Bank Association with Special Fund Projects

49. The Bank expressed an interest in being more closely associated, in cooperation with the Programme team, with Special Fund projects being carried out by FAO as executing agency, with a view to orienting either part or the whole of such projects towards investment. To the extent possible, Bank staff will be associated with Programme staff in consultations on such projects either at FAO Headquarters or in the field. FAO takes note that the Bank will in specific cases be asked by the Special Fund to comment on projects for which the FAO is the executing agency at various stages of implementation. Where feasible, such comments will be formulated in consultation with the Programme.

General (Items V, VII and VIII of Agenda)

50. Discussions were also held on matters of mutual concern, including fertilizers, commodities work, East Pakistan master plan and a proposed study on agricultural financing for the Second World Food Congress.

ANNEX

Agenda for Discussion at Meetings of 15-18 March

- I. FAO/IBRD Cooperative Programme, FAO's relations with Governments, and Programme collaboration with FAO Divisions.
- II. Fields of cooperation and functions of the FAO/IBRD Programme:
 - (a) Pre-identification, exploration and reconnaissance with special reference to FAO current activities in countries.
 - (b) Identification missions; nature and purpose.
 - (c) Preparation missions: assistance to governments and FAO/IBRD consultations.
 - (d) Appraisal missions:
 - (i) Appraisal of projects in whose identification and/or preparation FAO has not been involved.
 - (ii) Appraisal of projects in whose identification and preparation FAO has been involved.
 - (e) End-use supervision and technical assistance.
 - (f) Economic Review Missions.
 - (g) Agricultural Review Missions.
 - (h) Education Missions.
- III. The means of cooperation:-
 - (a) Consultations on general principles and methods: agreement on basic assumptions.
 - (b) Consultation on specific aspects of basic importance in FAO participation:
 - (i) Planning of missions
 - (ii) Terms of reference
 - (iii) Consultation with government prior to missions
 - (iv) Access to information
 - (v) Briefing of missions
 - (vi) Debriefing of missions
 - (vii) Access to reports at an early stage and adequate opportunity to comment

- (c) Acceptance of FAO and IBRD Staff in missions of common interest
- (d) Use of panel of consultants
- (e) Procedures for using consulting firms
- (f) Reciprocal secondment of staff
- (g) Cooperation with the Bank's regional offices
- (h) Use and consultation of FAO country personnel

IV. FAO/IBRD Cooperative Programme Budget

V. Fields of immediate interest because of current developments

- (a) Fertilizers
- (b) Commodity surveys.

VI. Closer Bank association with Special Fund Projects

VII. East Pakistan Master Plan

VIII. Basic study on "Practical aspects of financing agricultural development with special reference to agricultural credit projects".

Memorandum

To Files

July 23, 1964

From R. A. Clarke

Subject Technical Assistance in Project Preparation

A meeting was held on July 21 to discuss:

- (a) the implications for the cost-sharing principle of technical assistance activities carried out under the Bank/FAO Cooperative Program;
- (b) the adequacy of the estimated local contribution to the Cocos Rehabilitation Study and the N'Goundere-Garoua Road Study in the Cameroon Republic.

2. Present were:

Messrs. Gordon (DSB)	Mr. Moussa (Africa)	Messrs. Evans (TOD)
Clarke "	Mrs. Fleming "	Hardy "
Riley "		Kordik "
Messrs. Johnston (Treasurer's)		Mr. Sella (Legal)
Mitchell "		

3. Mr. Evans explained he had assumed that project preparation missions were operational in character as opposed to general survey or economic missions - a view which appeared to be supported by the Bank/FAO Cooperative Agreement in which the only reference to technical assistance/in connection with the direct implementation of a Bank-financed project. As a result he felt that project preparation missions carried out under the Cooperative Program did not require the approval of the Executive Directors as a "project or sector" study and did not call for any contribution from the government concerned towards the cost.

4. It was also suggested to be an anomaly if the Bank were to insist upon the government concerned meeting the local costs of the intermediate feasibility or project preparation work, but was itself prepared to meet the full costs of preparatory project identification missions and, in certain circumstances, even to finance through a loan/credit at least a part of the local currency costs of final engineering and executing a project. In support of this it was also argued that much of the local currency expenditure, especially on subsistence and transport, involved a substantial foreign exchange element and that in its technical assistance activities the Bank

Copy in Cameroon T.A. file

should be prepared to meet this cost to help the balance-of-payments position of the beneficiary country.

5. Against this it was pointed out to be normal practice that the country concerned be responsible for preparing projects to the point of appraisal by potential sources of finance. However, increasingly governments are proving incapable of doing this unaided - this is the rationale for technical assistance in project preparation by the Bank and other agencies, but it does not remove the responsibility from the government. The Bank policy has been to insist that the government contribute to such preparatory work whether termed "feasibility studies," "project and sector studies" or simply "project preparation."

6. In determining the financial contribution to be made by beneficiary governments as a rule of thumb had been adopted whereby the Bank met the foreign exchange costs and the government the local currency costs. This was consistent with the practice of other technical assistance agencies, including the U.N. Special Fund, whose activities the Bank had undertaken not to compromise by offering similar facilities on more advantageous terms. Such a decision was not likely to be unduly onerous to the recipient country since the local costs of studies generally ranged from 1/4 to 1/3 of the total costs. Moreover, the formula was not inflexible and could, as had already happened in a few cases, be varied to meet particular local circumstances.

7. Whilst not derogating from the principle of the responsibility of the country concerned for the preparation of projects, purely practical considerations ruled out the possibility of applying the cost-sharing formula to all project preparation work undertaken by the Bank. The administrative complications would far outweigh the advantages in the case of, say, a two-man mission for a few weeks. For this reason, Operational Memorandum 23 defines "technical assistance" as "any Bank/IDA activity the primary purpose of which is to provide development advice or services or to conduct development surveys not immediately or directly related to a loan operation and which calls for a substantial involvement of personnel, whether drawn from the Bank/IDA staff or recruited outside." The critical phrase in the present context is "substantial involvement." Missions not involving such substantial involvement, even though engaged in providing technical assistance (in the full sense of the term), are regarded for all practical purposes as "operational missions."

8. It was agreed that:

- (a) it was highly desirable to define more precisely the term "substantial involvement" whether by reference to cost or man-months. Mr. Gordon undertook to pursue this with TOD, if possible before the forthcoming visit of Mr. Ergas in mid-August;

- (b) there was no justification for applying to technical assistance carried out under the Bank/FAO Cooperative Program criteria different from those governing the provision of services by Bank staff or by specially hired consultants. This would involve in appropriate cases the approval of the Executive Directors and the application of the cost-sharing formula. Mr. Evans undertook to discuss the implications with Mr. Ergas, once there was agreement within the Bank on (a) above.

Cameroon Studies

9. The Executive Directors have approved that the Bank meet the foreign exchange costs of the Cocoa Rehabilitation Study up to a maximum of \$100,000 and of the N'Gazoundere-Garoua Road Study up to a maximum of \$200,000. The local costs were estimated at \$25,000 and \$50,000 respectively, but it is doubtful whether the local cost estimates include subsistence for the FAO and consultant staff in Cameroon. It was therefore suggested that the Bank/FAO should meet at least a part of these subsistence costs.

10. Against this it was argued that:

- (a) the Executive Directors had approved expenditure on foreign exchange costs only. Subsistence had always been held to be a local cost;
- (b) the local cost estimates appeared very high unless they took into account subsistence. Even on the basis of 24 man-months for the cocoa study, costs of subsistence were unlikely to exceed about \$18,000, leaving \$7,000 for other local costs which should be adequate;
- (c) in his cable of June 24, Mr. Moussa had advised the Cameroon Government that its maximum contribution would be CFA 62 million (\$25,000 equivalent) for the cocoa study and CFA 124 million (\$50,000 equivalent) for the road study. There was no suggestion that this included an assumed cost for services in kind or was other than a cash contribution. The Government had accepted this.

11. It was agreed that:

- (a) the Cameroon Government be asked to deposit CFA 62 million and 124 million respectively to the account of the World Bank. This would be used by the Bank to defray subsistence and other direct local expenditures of the studies, any balance being returned to the Government on completion;
- (b) the Cameroon Government be asked to provide transport, office space, etc. in kind where necessary;

- (c) in the unlikely event that the sums deposited proved inadequate, the Bank would consider making good any deficit in the light of the circumstances at the time;
- (d) Mr. Evans would explain these arrangements to Mr. Ergas since FAO staff were carrying out a part of the cocoa study.

RAC/met

cc Messrs. Gordon
Riley ✓
Moussa
Evans
Hardy
Kordik
Johnston
Mitchell
Sella

Mrs. Fleming

Mr. Ballantine

Mr. Clarke
File

Mr. J.C. Reamy

June 24, 1964

L.J.C. Evans

FAO - Cooperative Program - Costs of Algerian
and Nigerian Missions

My understanding is that the assistance provided by FAO to our Algerian Mission was agreed to fall under the Bank/FAO Cooperative Program. The final sentence of para 2 of "Notes of Meeting with Mr. Ergas on Bank/FAO Agreement" attached to Mr. Demuth's letter to Mr. Ergas dated April 30, 1964, confirm this. This being so, and since this was a mission for which the Bank had institutional responsibility, the Bank would bear half the mission costs incurred by FAO.

The attached FAO invoice refers not only to expenses of Messrs. Jaspas and Barberini, but also to expenses (travel advance US\$400) of Mr. Fernando. Mr. Fernando had nothing to do with the Algerian Mission. He was the FAO member of a mission to Nigeria which was under the Cooperative Program and for which the Bank had institutional responsibility. The Bank is therefore liable for half his costs.

cc: Mr. Ripman
→ Mr. Gordon

Bank
LJCE:vr

Copy in Algerian Mission file

THE WORLD BANK

INCOMING MAIL

DATE:

APR 7 1982

Mr. H. A. Adler	A1042	Mr. Lari	B906
Mr. Alisbah	E324	Mr. Lee	D1035
Mr. Ardito-Barletta	A907	Mr. Lerda	E923
Mr. Bart	F718	Mr. Merriam	E826
Mr. Baum	E1023	Mr. Muller	M508
Mr. Benjenk	E823	Mr. Paijmans	A1236
Mr. Boskey	E823	Mr. Picciotto	A712
Mr. V. C. Chang	I 4-100	Mr. Pollan	I 3-173
Mr. Chauffournier	E723	Mr. Qureshi	E1241
Mr. Chenery	I 8-100	Mr. Rajagopalan	E1028
Mr. Clarke	I 3-161	Mr. Rohrbacher	I 9-100
Mr. Clausen	E1227	Mr. Rotberg	E427
Mr. Cosgrove	L4500	Mr. Scott	N735
Mr. de la Renaudiere	D351	Mr. Stern	E1227
Mr. Duloy	I 6-164	Mr. Stoutjesdijk	I 8-117
Mr. El Darwish	A210	Mr. Thalwitz	A507
Mr. Gabriel	D1330	Mr. Thahane	A1219
Mr. Golsong	N735	Mr. Twining	L4500
Mr. Gue	C1001	Mr. van der Meer	A813
Mrs. Clarke	A1219	Mr. Waide	I 8-104
Mr. Haq	I 6-100	Mr. Wapenhans	B1210
Mr. Hattori	I 4-100	Mr. Weiner	E1203
Mr. Hittmair	E427	Mr. Wiehen	C502
Mr. Hopper	A513		
Mrs. Hughes	I 7-100		
Mr. Husain	A613		
Mr. Jaycox	C602		
Mr. Karaosmanoglu	C702		
Mr. Kirmani	A607		
Mr. Knox	A313		
Mr. Kraske	A1013		

FROM: Incoming Mail Unit, Room F-126, Extension 72023

Worship possible
12:00 - 1:00 P.M.

APR 8 1982

ORGANISATION DES NATIONS UNIES POUR
L'ALIMENTATION ET L'AGRICULTURE



ORGANIZACION DE LAS NACIONES UNIDAS
PARA LA AGRICULTURA Y LA ALIMENTACION

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100 - ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref. DP 9/1 KEN/75/022

Handwritten: 1/3 copy to Press
MAR 29 1982

Dear Marius,

UNDP/FAO Projects with Investment Potential

... I am pleased to enclose 5 copies of the report of an Investment Centre mission which reviewed for the purpose of a possible investment follow-up, the progress of data collection in the UNDP/FAO project KEN/75/022, "Sheep and Goat Development".

Would you be so kind as to forward one copy of this document to Ms. Shirley Boskey, Director, International Relations Department.

Since it seems that the African Development Bank is interested in following up this investment proposal, I would be grateful if you could let me know the position of the World Bank in this respect. You may recall that the World Bank Regional Mission in Eastern Africa had expressed a special interest in this project. We have however received no reply from you to our letter of 7 November 1981 on the subject.

With kind regards,

Yours sincerely,

Cedric

Cedric Fernando
Director
Investment Centre

Mr. Marius Veraart
FAO and IFAD Coordinator
Agriculture and Rural Department,
CPS
World Bank
1818 H Street, N.W.
Washington, D.C. 20433
U.S.A.

cc: Ms. Shirley Boskey, (2)
Director
International Relations
Department

cc: Ms. Marshall (2)
Messrs. Sandberg (1)
Sutherland (1)

APR 06 1982



OFFICE MEMORANDUM

TO: Mr. F. Mortier
Chief, Service V, DDCI

DATE: 23 March 1982

FROM: E. Yates, *E.Y.*
Consultant Livestock/Agronomist

SUBJECT: KENYA - KEN/75/022 - Sheep and Goat Development Project Data Collection
Review Mission - Back-to-Office and Progress Report

1. During my visit to Kenya from March 1st to March 9th ^{1/} and following Terms of Reference dated 5th February 1982 I undertook to review the progress of data collection in the UNDP/FAO project KEN/75/022 Sheep and Goat Development which was proposed by a previous mission ^{2/}.

2. In reviewing the progress on data collection referred to above I was briefed by the FAO Resident Representative in Kenya. I also had discussions with senior officials in the Kenya Government's Livestock Development Ministry. These included Dr. I.I. Murithii, Director of Livestock Development, Mr. Z. Owiro, Deputy Director Livestock Development, Mr. Gichohi, Assistant Director Livestock Development and Mr. Ayuko, Chief of Range Management. Detailed discussions were held with the Sheep and Goat Project Director, Dr. E.W. Allomby and several members of his staff. I also visited Ol Magogo one of the project's multiplication centres.

Background

3. A complete description of the background to the Sheep and Goat project is given in the previous BTO of Mr. Ardouin Dumazet to Mr. André Delon dated 13th October 1981. The only point which requires further comment is in para. 5, "In the vast range areas generally communally used, the various ethnic groups have shown increasing interest over the

^{1/} See separate BTO covering my other duties.

^{2/} See BTO dated 13 October 1981 from Mr. Ardouin Dumazet to Mr. André Delon

EY/as
BK 53/2.11 KEN

cc.: Fernando
Eid
de Brichambaut
Delon
Heymans
Dumazet/Lauwers
Yates - chrono
Allvin
Granieri
DDC Reg. (3)

Bonte-Friedheim, AGO (3)
Beringer, DDF

AfDB (4)
WB (5)
UNDP N.Y. (5)
FAO Rep. (8)

the past years in forming group ranches with official grazing rights after adjudication of land". Whilst this statement is perfectly accurate I think it is only fair to add, that in a number of cases, after land adjudication has taken place, group ranches have been split up into individual ranches leading to sub-economic units being established. This tendency should be carefully monitored and the establishment of sub-economic individual ranches discouraged, because if it is not, there could be serious long term consequences for the range lands of Kenya. This specific problem and other problems on group ranch establishment are discussed in detail in two papers ^{1/} published in January 1982 by the Agricultural Administration Unit of ODI. A consensus in all papers written on group ranch development in Kenya is that they have not significantly increased the offtake rate of cattle from the range lands.

Project Proposals

4. The UNDP/FAO project director raised a query on the original project proposals which are detailed in the BTO referred to in para. 3. His query related to the project area. He felt that the marketing component of the project, specifically the construction of sale yards, should be extended beyond the originally proposed project area to include additional auction yards and quarantine holding grounds in the districts of Garissa, Wajir, Isiolo, Marsabit and Samburu. The additional cost is estimated at US\$600,000.

5. This is a sensible suggestion because:

- (a) The districts of Garissa, Wajir, Isiolo, Marsabit and Samburu traditionally supply young breeding stock into the originally proposed project area ^{1/}. Sale yards constructed in these districts would be a major source of supply of breeding stock for some of the ranches in the project area. Sale yards constructed in the originally proposed project area would cater more for the sale of fat animals as opposed to those in the 5 newly proposed districts which would be for breeding.
- (b) Auction yards already installed in the range land areas have not only increased sales of sheep and goats, they have also brought about a significant increase in price.

This proposal was put to the Kenya Government which accepted it in principle.

6. A second point in the existing proposals which should be borne in mind at the stage of project preparation relates to the extension of existing multiplication centres and the construction of three new centres. Kenya's existing restriction on foreign exchange is limiting the import

^{1/} See Map at Appendix I for delineation of original project area.

of anthelmintics 1/. Exotic sheep and their crosses are proving more susceptible to helminth infection than indigenous breeds. If importation of anthelmintics continues to be a problem greater emphasis will have to be given to selection within existing indigenous breeds as a basis for genetic improvement, although crossbreeding with exotics will continue to have a very important role.

Progress in Data Collection

7. A specific project staff member has been allocated to the task of data collection. His work at present is to complete a survey of about 30 individual and group ranches. A copy of the survey sheet is attached at Appendix II, some modifications to the questionnaire were suggested to include method of disposal of sale animals and numbers used for home consumption. ILCA 2/ are assisting with this work and the survey will then be analysed and used as background for the preparation report.

8. I pointed out that the data collected must be consistent with supporting investment proposals, it must not be collected indiscriminately. For example, a recent report 3/, not yet published, has shown that one ranch using improved breeding stock originally obtained from a multiplication centre had an increased sale value from small stock of 100% above average values due to increased quality and weight of slaughter animals. Another example is the added value resulting from small stock sales when auction yards are available to farmers for selling their animals. These situations may justify investment.

9. The project director admitted that no thought had been given to this aspect of data collection. He now felt more aware of the data which had to be collected to support an investment project.

10. There is a need for help with data collection relating to pasture productivity. Two man-months of consultancy is required to carry out the work. Funds are available in the project's consultancy budget and it was agreed that the Investment Centre would help recruit a suitable consultant as soon as possible.

11. Further assistance would also be needed from the Investment Centre as a bus stopping exercise to review future progress on data collection before final preparation could take place. Subject to the availability of a pasture consultant, the next bus stopping mission should be at the beginning of July.

1/ At present the project has 15,000 head of small stock on multiplication centres. Funds to purchase anthelmintics are limited to the extent that only 8,000 head can be treated.

2/ International Livestock Centre for Africa.

3/ An Evaluation of Group and Individual Ranches on the Economic and Social Development in Kajiado District. J.M. White and S.J. Meadows, December 1981.

Issues

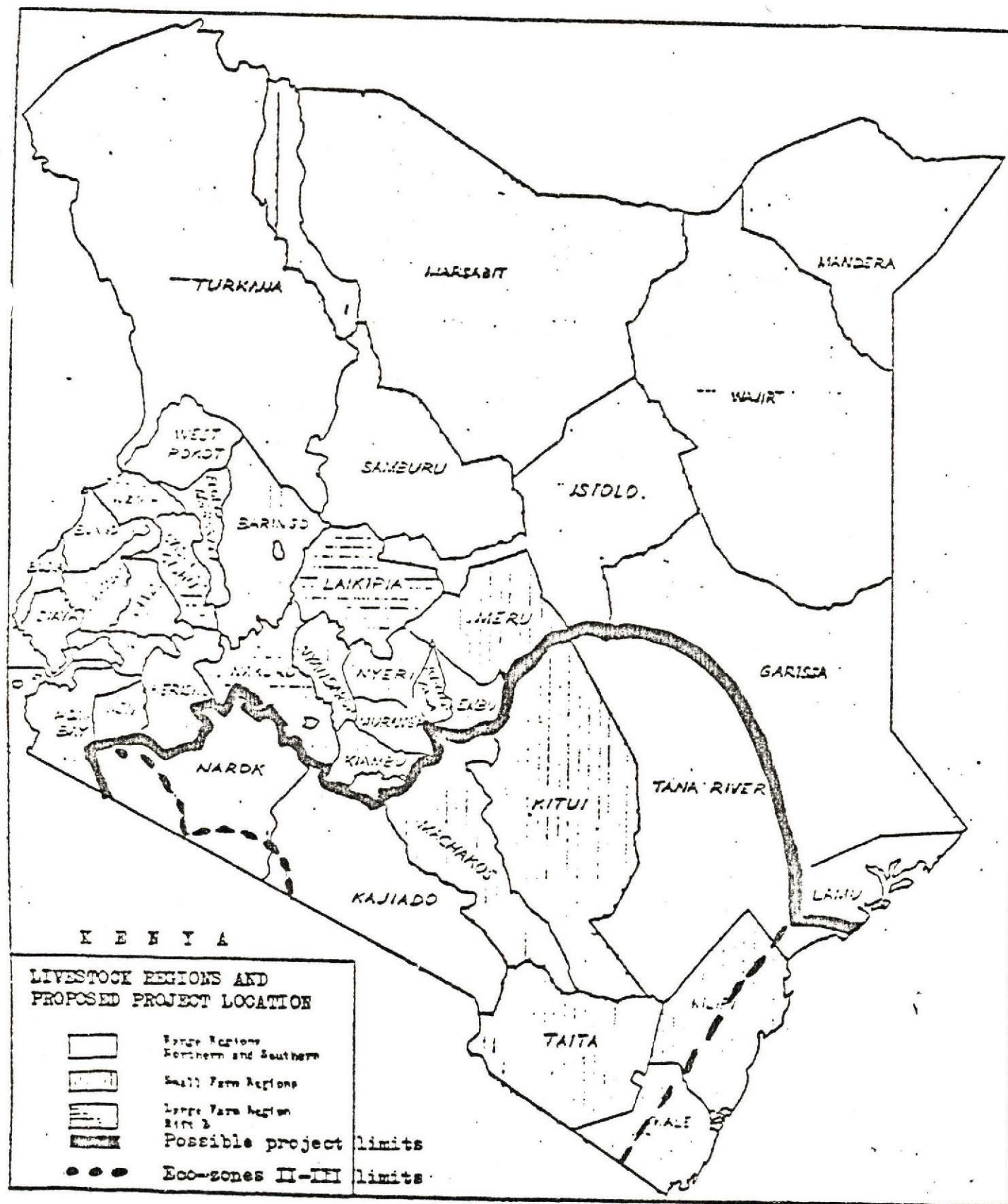
12. At a final meeting with the Assistant Director of Livestock Development the following issues were raised:

- (a) The relationship between possible World Bank and/or AfDB in an investment project based on sheep and goat in the range lands of Kenya where the World Bank already has ranch development projects.
- (b) The difficulty of investment in ranch development which would be confined to sheep and goat. Virtually all ranches have cattle herds in addition to sheep and goats and ranch development must cover all livestock.
- (c) Clarification of possible AfDB contribution. A figure of US\$8 million had been mentioned by an AfDB official at a meeting in Nairobi. It was assumed that this would be AfDB contribution and not total project cost.

Follow-up Action

- 1. Proposals by the Investment Centre for a pasture agronomist for a two-month consultancy.
- 2. A further bus stopping mission in July to continue the review of data.

MAP



PRE-INVESTMENT SURVEY OF SHEEP AND GOAT PROJECT
RANCH QUESTIONNAIRE

1. Type of Ranch

- 1.1 Name
- 1.2 Date of acquisition
- 1.3 Method of acquisition (purchase, rental, inheritance, settlement)
- 1.4 Type of ownership
- 1.5 Purchase, rental or allocation charges
- 1.6 Size acres ha
- 1.6.1 Area under range acres ha
- 1.6.2 Area under commercial crops acres ha
- 1.6.3 Area under subsistence crops acres ha
- 1.6.4 Area under buildings acres ha
- 1.6.5 Area ideal e.g. marshy acres ha
- 1.7 What is the current value of your ranch Kshs
- 1.8 Technical qualifications of the manager
and assistant manager
- 1.9 Duration on the ranch by the manager
and assistant manager

2. Livestock

- 2.1 Number at the beginning of 1981 and at the end of 1981. For births deaths, sales and purchases are totals for 1981. Note the major breeds for each species

Cattle	Nos.	Sheep	Nos.	Goats	Nos.
Bulls	-----	Rams	-----	Bucks	-----
Cows	-----	Ewes	-----	Does	-----
B/calves	-----	M/lambs	-----	M/kids	-----
H/calves	-----	F/lambs	-----	F/kids	-----
M/heifer	-----	Hoggets	-----	Nannies	-----
Steers	-----	Castrates	-----	Castrates	-----
Total	-----	Total	-----	Total	-----

	<u>Cattle</u>	<u>Sheep</u>	<u>Goats</u>
Births	-----	-----	-----
Deaths	-----	-----	-----
Sales	-----	-----	-----
Purchases	-----	-----	-----

3. Production and prophylactic inputs

3.1 Breeding continuous, seasonal or frequently

3.2 Age at weaning

3.3 Age at castration

3.4 Age at first service

3.5 Drenching frequency, once every week, month, year or never

3.6 Dipping/spraying frequency, once every week, month, year or never

3.7 Routine and compulsory vaccinations Frequency

1.	-----
2.	-----
3.	-----
4.	-----

3.8 System of grazing free range or paddocking

3.9 Rating of available herbage by the manager or owner as ample, adequate or inadequate

3.10 Frequency of supplementary feeding as whether frequently, rarely or never

3.11 Type of supplementary feed given

3.12 Frequency of salting as whether frequently, rarely or never

3.13 Type of salt given, pure, mineral or river bend licks.

3.14 Frequency of watering, dry season ----- wet season -----

3.15 Sources of water during, dry season ----- wet season -----

4. Capital development

4.1 Ranch water

<u>Source</u>	<u>Nos.</u>	<u>Capacity</u>	<u>Maintenance & running cost/year</u>
1.	-----	-----	-----
2.	-----	-----	-----
3.	-----	-----	-----
4.	-----	-----	-----
5.	-----	-----	-----
6.	-----	-----	-----

RRE-INVESTMENT SURVEY OF SHEEP AND GOAT PROJECT

Date of Weighing Ranch Name Name of Recorder

Species.....

[illegible]

- 4.1.1 Current length of water reticulation -----
 4.1.2 Current length of roads and firebreaks -----
 4.2 Current length of perimeter fencing -----
 4.3 Current length of total paddocks fences -----

5. Bomas and livestock facilities e.g. yards, crushes, etc

<u>Type (permanent/temporary)</u>	<u>for cattle or smallstock</u>	<u>current valuation</u>
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		

6. Buildings

<u>Type</u>	<u>condition as good/poor</u>	<u>current valuation</u>
1. Homestead		
2. Labour lines		
3. Stores, offices and garages		

7. Vehicles and machinery

<u>Common name of item</u>	<u>Nos. in the ranch</u>	<u>Maintenance and running cost per year</u>
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
<u>Total cost per year</u>		

8. Annual direct and overhead costs

	smallstock	ranch total
Prophylactic, i.e. drugs Vaccinations, acaricide Anthelmintics, etc		
Salts, minerals and Supplementary feeds		
Pasture management		
Grass rental		
Machinery depreciation		
Permanent structure depreciation		
Interest on loans		
Replacement stock		
General		

9. Labour

	for smallstock only	for the whole ranch
Casual		
Permanent		
Semi-skilled		
Managerial		
Salaries total for 1981		

10. Sales

	cost per head	total sales per year
1. Cattle		
2. Sheep		
3. Goats		
4. Milk		
5. Manure		
6. Sand		
7. Crops		
8.		
9.		
10.		
Total income		

11. Limitations and aspirations

- 11.1 What do you consider to be your major livestock production limitation?.....
- 11.2 What do you consider to be your major smallstock production limitation?
- 11.3 What do you aspire to do in the next two years geared at increasing your ranch productivity ?.....
- 11.4 What do you aspire to do in the next two years geared at improving or increasing the productivity of your smallstock component?
- 11.5 What is your preference between sheep and goats ?.....
- 11.6 If rancher has more than one breed of smallstock ask his breed preference

RRE-INVESTMENT SURVEY OF SHEEP AND GOAT PROJECT

Date of Weighing Ranch Name Name of Recorder

Species.....

[illegible]



APR 16 1982

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

Via delle Terme di Caracalla, 00100 - ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

Ref. DP 9/1 MLW/75/019

- 2 APR 1982

Dear Marius,

UNDP/FAO Projects with Investment Potential

...

I am pleased to enclose 5 copies of the report of an Investment Centre mission which visited the UNDP/FAO project MLW/75/019, "Fisheries Expansion", in view of a possible investment follow-up.

Would you please be so kind as to forward one copy of this document to Ms. Shirley Boskey, Director, International Relations Department.

I would be grateful if you could let me know whether the World Bank would be interested, in principle, to follow-up on this project.

With kind regards,

Yours sincerely,

Cedric

Cedric Fernando
Director
Investment Centre

APR 15 1982

RECEIVED

Mr. Marius Veraart
FAO and IFAD Coordinator
Agriculture and Rural Department,
CPS
World Bank
1818 H Street, N.W.
Washington, D.C. 20433
U.S.A.

cc: Messrs

*Eccles (1)
Reese (1)
Niaz (1)*

cc: Ms. Shirley Boskey,
Director,
International Relations
Department



OFFICE MEMORANDUM

TO: Mr. A. Delon
Chief, Service I, DDCB

DATE: 30 March 1982

FROM: W.J. Guckian, DDCB

SUBJECT: MALAWI - FAO/UNDP Cooperative Arrangement
Fisheries Expansion Project (MLW/75/019) Reconnaissance Mission
Back-to-Office Report

In accordance with terms of reference dated 8 September 1981, the mission 1/ visited Malawi between 21 and 26 October to look into the possibilities of investment follow-up to MLW/75/019, the fisheries expansion project for the northern part of Lake Malawi which has come to an end in early 1982.

Since, during the course of its almost 5 years of operation, the project has been unable to locate any additional commercially exploitable pelagic resources which would have led to an expansion of the fishery industry, the mission broadened its examination to include other aspects of possible fishery ... development. Our report on its findings is attached.

1/ W.J. Guckian (Mission Leader) and D. Müller-Praefcke (Economist).

DP 9/1 MLW/75/019

cc. Fernando
de Brichambaut
Eid
Mortier
Heymans
de Lambilly (DDF)
Beringer (DDF)

EMENEA
Kojima/Blessich (FIO) (2)
Gunawardena
Guckian (chrono)
Müller-Praefcke
FAO Representative (8)
UNDP Representative

Kapur, UNDP, N.Y. (5)
Turner, Project Manager
DDC Reg (2)

FAO INVESTMENT CENTRE

UNDP/FAO COOPERATIVE ARRANGEMENT

MALAWI

REPORT ON

MLW/75/019 - FISHERIES EXPANSION PROJECT

NORTHERN PART OF LAKE MALAWI

March 1982

MALAWI

UNDP/FAO COOPERATIVE ARRANGEMENT

MLW/75/019 - FISHERIES EXPANSION PROJECT
NORTHERN PART OF LAKE MALAWI

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MAP - Malawi Location Map

ANNEX 1 - List of Persons Met

WORKING PAPER 1 - General Features and Fisheries Background

Currency Equivalents: MK (Malawian Kwacha) 0.90 = US\$ 1

MALAWI

MLW/75/019 - FISHERIES EXPANSION PROJECT

1. INTRODUCTION

1.1 An Investment Centre mission visited Malawi between 21 and 26 October 1981 to look into the possibilities of investment follow-up to MLW/75/019, the Fisheries Expansion Project for the Northern Part of Lake Malawi. This project has been operational since 1977 and has terminated its activities in early 1982 with its final report now under preparation.

1.2 During the course of almost 5 years of operation, the project has been unable to locate any commercially exploitable pelagic resources in the northern area of the lake using a variety of fish catching and scientific methods of stock determination (Working Paper 1, Appendices 1 and 2). The mission on being informed of the details of the project findings, decided to widen its investigation into an examination of the existing fishery situation in an attempt to identify any aspects of the industry which could offer investment opportunities.

1.3 Discussions were held with the UNDP Resident Representative, the Fisheries Department of the Ministry of Forestry and Natural Resources, and with the EEC delegation to Malawi. Field trips were made to the Central Lake Fisheries Development Project at Sanga Bay, a number of fishery centres along Lake Malawi, the Fisheries Research Centre at Monkey Bay, the Fisheries Training Centre at Mpepwe, the Domasi Fish Farming Station, the MALDECO Fishing and Processing Company at Fort Johnson and its headquarters at the Malawi Development Corporation in Blantyre. The mission was accompanied throughout their visit by Mr. J. Turner, the Project Manager of MLW/75/019 (see Annex 1).

2. BACKGROUND

2.1 Working Paper 1 has been prepared, describing in more detail the present fishery situation which may be summarized as follows.

Resources

2.2 The fisheries in Malawi are based on a number of lakes and rivers with associated marshes. The fisheries of Lake Malawi, by far the most important, are roughly divided into three regions.

- (i) The southern, also the richest, but where exploitation is close to the overall maximum sustainable yield and in the case of certain species may have exceeded it.
- (ii) The central is not so rich, but is yielding some good results in recently introduced pair trawling (commenced during an earlier FAO project and now being expanded by the EDF sponsored Central Lake Fisheries Development Project). There may still be some leeway in catch expansion before maximum yields are reached in the areas now being exploited and in other limited grounds not yet under exploitation.
- (iii) The northern, which is generally very deep, over 700 m. The limited areas of shallow waters are less rich in nutrients than the remainder of the lake. In the mid-1970s, it was considered probable that it could have rich pelagic resources and therefore an FAO/UNDP exploratory project was formulated and based at Nkhata Bay (FAO/UNDP MLW/75/019). The results (Working Paper 1, Appendices 1 and 2) have, however, discounted this possibility, finding little sign of new commercially exploitable resources. A small increase over existing landings could be expected, however, with improved craft and gear to replace the predominant small rowing canoe operating only in the near-shore waters.

2.3 The fisheries in the other three lakes (Malombe, Chilwa, Chiuta) are also important, but catches seem to have reached their maximum sustainable yield for the varying water levels pertaining at any particular time. Lake Chilwa with nearby Chiuta are extremely shallow lakes and, although rich in resources, landings can be seriously reduced at times when water levels are reduced due to evaporation. They have also occasionally been completely dried up since there are no rivers feeding the lake with regular continuous supplies of water.

2.4 The total overall yield from Malawi waters has been estimated at a maximum of 60,000 to 70,000 tons per annum and consists of chambo (Tilapia spp.) at about 10% of the resource, with catches close to the maximum yield throughout the Malawi waters; a number of other cichlids species, varying seasonally between 20% and 50%, with catches reaching a maximum yield in the south-eastern part of Lake Malawi; utaka (Haplochromis spp.), varying seasonally between 30% and 50%, but has not yet reached its maximum yield, particularly in the central zone of Lake Malawi. A number of other species,

including the small usipa (Engrauliscypris spp.), mcheni (Phamphochromis spp.) and sanjika (Opsaridium spp.) make up about 10% to 25% of the resources, according to the season.

2.5 Lack of oxygen below 150 m depth, especially in the very deep northern areas, would prevent any substantial fish growth.

Exploitation

2.6 The fishery industry in Malawi is a predominantly traditional small scale operation, but has one important State owned industrial enterprise.

2.7 Traditional Operations. Fishing craft vary from small planked craft (about 2,500 in number, of which 600 are motorized with low power outboard engines) to a variety of dugout canoes numbering 8,000 either with poles or oars. The southern and central regions of Lake Malawi have a larger percentage of the planked boats, while the northern region craft are invariably dugout canoes. Pair trawling units consisting of two 7 m planked boats with 20 bhp inboard SAAB diesel engines but without winches have been introduced by FAO/UNDP and EDF-funded projects during the late 1970s. Crews on each trawler consist of about one skipper and three or four crewmen. Catches in their daily operation vary in the main between 0.5 and 1.0 ton per unit of two vessels. Catches generally consist of small fish usipa and utaka, but some chambo are also caught. All trawl fish are now dried. There are now about 25 pair trawling units operating and construction is proceeding at about 25 boats per year.

2.8 Of the total Malawi catches, up to 30,000 tons are said to be caught in Lake Malawi; from 5,000 to 10,000 tons in other lakes; 8,000 tons in rivers; and a remaining 8,000 tons are said to be caught from other sources including marshes.

2.9 Industrial Fishery Operations. An industrial fishery enterprise (MALDECO), based near Fort Johnson and a subsidy of the Malawi Development Corporation, has a fleet of multipurpose craft (trawlers and ring-netters) of 8 m to 18 m class and 8 carrier vessels. Catches are frozen, sold fresh in ice to wholesalers and retailers or sun-dried after brining. The processing factory works a two shift 24-hour day and the fleet operate around the clock with duplicate sets of crews. Due principally to an unusual and unexplained change in water levels over the lake during the late 1970s, catches have been greatly reduced over a period of about 18 months, causing short time working in the MALDECO plant (reportedly now running at about 1,000 tons per annum). The plant has its own ice plant, freezers, ice stores, vessel repair yard and workshops, and its own landing jetty equipped with mobile crane for unloading catches.

2.10 Fishing operations continue throughout the year. The best fishing season in Lake Malawi is, however, during the rainy season from November to April, when occasional tropical squalls also occur from a southerly direction, thus curtailing fishing activity based on the smaller boats and canoes.

Aquaculture

2.11 Despite several attempts by Government and FAO/UNDP projects to develop aquaculture, little has been done to popularize it in the country. With only one extension worker available at the principal centre to cover the whole country, the results have not been noteworthy. The only successful developments seem to have occurred where larger private companies (e.g. tea and sugar estates) have established fish farms on their estates to help feed their workers.

Processing and Marketing

2.12 Most fish landed by the small scale fleets are either sold fresh (un-iced) in nearby markets or are sun-dried or smoked. No ice is available, except to those centres near the MALDECO plant, and due to badly conducted village processing up to 20% to 30% of landings are said to be spoiled during peak landing periods. Fish is bought by traders from the boats on the beach, whence they are either distributed fresh to market or processed on site and sold to distributors who deliver to their agents (or sell to other wholesalers or retailers) at the main city markets. Fish can, therefore, change hands many times between landing and consumption.

Fish Prices and Financial Returns to the Fishermen

2.13 With retail fish prices in the main city markets fixed at MK0.70 to MK1.10 per kg, according to species, and with meat prices at very similar levels, it seems that Government policy is to protect the consumers. Due to the fish passing through many hands, the boat owner may only receive one-third or less of these fixed prices. Most vessels and gear are owned by town or village merchants, who then employ a skipper and crew to operate their craft. It has been reported that in most cases these skippers and fishermen do not get paid a wage, but are given only a few fish from each trip and a ration of maize meal each month. If they are paid, it is at a very low level, generally not more than MK10-MK12 per month. The merchants, however, who own several boats seem to get a good return on their investment even at the relatively low prices at that level, while the skippers and crews are more or less continuously in penury with no hope of ever owning their own vessel or equipment.

2.14 The EDF project, although giving rise to a sizeable increase and improved quality in landings and better returns to the boat owners, is not designed to improve the social status of the fishermen, since all pair trawlers are being purchased by merchants on credit provided by the project and worked by local crews on a very low wage basis.

Consumption

2.15 Based on probable present annual landings of 50,000 tons and an approximate population of 6.5 million, the per caput supply of fish amounts to 7.7 kg, as compared with recorded data of unknown accuracy for 1975-1977 (annual landings of 71,000 tons against a population of 5.6 million and a per caput consumption of about 9.2 kg). It has also been stated that fish makes up between 53% and 70% of all animal protein consumed in Malawi. While the accuracy of this figure could be questioned, observation in city markets indicates that fish products form a high proportion of animal produce on offer with brisk sales taking place.

2.16 The probable decline in the per caput supply of fish, resulting from the increasing population and the static fish production figures, is of great concern to the Government since the average annual meat supply, presently estimated at about 5 kg per head, ranks among the lowest in the world. Because the average population density at 65 inhabitants/km² is already one of the highest in Africa, arable land is becoming increasingly scarce and overstocking of pastures, already said to be noticeable in some areas, is likely to get worse. Cattle, for example, total close to 1 million, are raised mostly by traditional methods and are considered more as a source of wealth rather than as a commodity for sale.

Government Policy

2.17 The Government are aware of resource limitations but have not yet come with a long term strategy for the development of the whole sector. Since the possibility of finding substantial pelagic resources in the northern section of Lake Malawi has not succeeded, they are trying to upgrade existing operations by improving existing methods of catching and handling with the provision of additional facilities and equipment.

3. CONSTRAINTS TO DEVELOPMENT

3.1 A major constraint to further expansion of the fishery industry in Malawi is the limitation of resources in the waters of this country. Any development would, therefore, be mainly based on the improvement of fishing techniques and marketing. However, to achieve this there are a number of difficulties to be overcome, including:

- (i) Lack of trained and experienced management;
- (ii) Government's present fish pricing policy which would appear to restrict an improvement in the living conditions of traditional fishermen;
- (iii) lack of an appropriate credit policy enabling traditional fishermen to acquire improved boats and gear;
- (iv) lack of staffing and resources of the Fisheries Department, particularly its technical management which would need strengthening with expatriate advice both at headquarters and in the field.

3.2 The fact that the MLW/75/019 project has recently (end 1981) terminated its activities and that no follow-up project has been planned makes the need for external assistance even more dramatic.

4. RECOMMENDATIONS

4.1 Although there are only limited possibilities in developing or improving the fishery sector, the mission identified some development areas which appear worth further consideration.

Capture Fishery

4.2 Since most of the fish stocks are now being exploited to near their maximum potential yield, and in the absence of other known untapped resources of any magnitude, an improvement in the supply of fish to the consumer can only be effected by a much needed improvement in overall operational management of the traditional sector. This should be accompanied by the provision of certain facilities and equipment such as short access roads, sorting shed, chill rooms, ice plant and limited landing facilities, and through credit in the provision of more planked boats to replace the smaller dugout canoes at selected principal landing centres where such improvements are still awaited. Only in this manner could the present heavy losses due to wastage in handling be overcome.

4.3 The mission is also very much aware that the majority of fishermen operate with boats or canoes and gear owned by non-fishermen - usually local merchants. For their work, they are frequently paid only in kind and if money is given it rarely exceeds MK10 per month. Under such conditions, fishermen could never aspire to own their own vessels and gear unless they operate part time on other activities, which only rarely happens.

4.4 Project ideas which would meet these requirements would therefore consist of:

- (i) Supply of improved planked boats of 15 ft to 25 ft length, especially in the north to replace at least the smaller canoes, thus enabling fishermen to exploit waters further afield from their villages and at present somewhat underexploited.
- (ii) Where needed and feasible, the provision of low power outboard or inboard engines for their craft.
- (iii) Provision of an expanded - limited dimension - distribution and marketing chain in the northern region to enable more constant supplies of dried/smoked and fresh-in-ice fish to reach the consumers. This would be restricted to, at most, four principal population centres, each including a chill room, small ice plant, sales room, store and vehicle servicing point, together with the required number of insulated trucks to transport the fish products to the marketing centres.
- (iv) An extension to the present and planned future programmes of the EDF-funded project where it is found necessary by improving short spur or access roads to the principal fishing villages or camps to enable supplies to reach them, and landings to be marketed with greater ease and less cost than at present. Certain of these villages or centres would also require improvements through the construction of sheds, provision of insulated ice boxes, etc.

- (v) The introduction of a credit line to enable fishermen to purchase their own boats and gear; the Government should however define terms and conditions appropriate to this category of customers and decide upon the most appropriate channel to distribute this credit.

Aquaculture

4.5 There are many hazards attached to the rapid development of fish culture in Malawi. Expansion must proceed slowly and with great care under expert technical control and management.

4.6 A commencement should be made by expanding the services already provided in the Government farms by augmenting the technical staff of, at least, one of the most suitable existing Government farms, so that it could be actively used as a fish culture demonstration farm with in-service training courses for prospective fish farmers.

4.7 An increase in the number of trained and experienced extension workers would be essential and, when trained, they should be posted to those areas where fish farming would be most likely to prosper, that is where conditions are suitable and where the demand for fish farming development is evident.

5. CONCLUSIONS

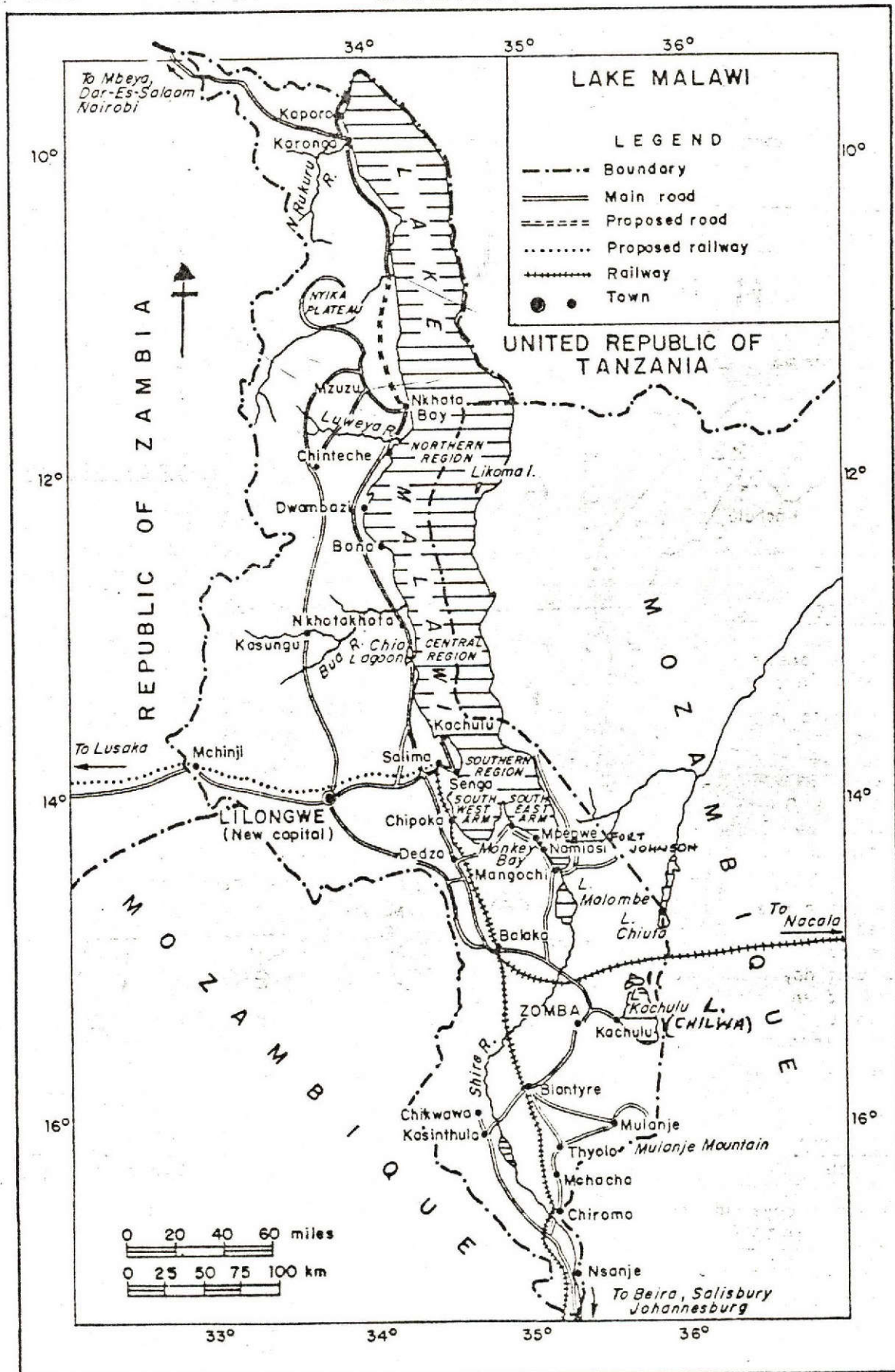
5.1 It is the mission's opinion that a number of actions aiming at improving the conditions of some 20,000 traditional fishermen and their families are possible. Not only would such actions introduce significant social changes but also would contribute to the development of the country's economy. Another reason for improvement in the fishery sector is that fish will remain for years the main source of animal protein in Malawi.

6. FOLLOW-UP

6.1 The fact that the FAO/UNDP project MLW/75/019 has terminated its activities raises the question on how further identification and preparation work could be organized.

6.2 Given the staff and expertise available in the local Fisheries Department, external assistance would be required to assist in the preparation of an investment project. About 30 man-weeks would apparently be sufficient to prepare a small project up to appraisal level.

MALAWI



MALAWIMLW/75/019 - FISHERIES EXPANSION PROJECTLIST OF PERSONS METMinistry of Forestry and Natural Resources

Mr. Andrew Mtoto	Director of Fisheries
Mr. P. Mzumara	Deputy Director of Fisheries and Co-Manager, FAO/UNDP Project MLW/75/019
Mr. T. Jones	Principal Fishery Officer
Mr. J.G.M. Wilson	Fishery Officer and Project Manager, Central Lake Fisheries Development Project
Mr. Boniface Mkoko	Senior Fishery Officer, Fisheries Research Centre, Monkey Bay
Mr. A.J. Ribbink	Fishery Officer, Fisheries Research Centre, Monkey Bay
Mr. B. Banda	Principal, Fisheries Training Centre, Mpepwe
Mr. Orton Msiska	Fish Culturist, Domasi Fish Farming Station
Mr. L. Harawa	Extension Officer, Domasi Fish Farming Station

Fishery Industry

Mr. Austin H. Madinga	General Manager, Malawi Development Corporation
Mr. J.R. Musa	Assistant General Manager, MALDECO Fishing and Processing Company

EEC Delegation to Government of Malawi

Mr. Gerard Chirinian	Adviser to the Delegation
----------------------	---------------------------

United Nations

Mr. R. Borthwick	Resident Representative, UNDP, Lilongwe
Miss J. Sims	Deputy Resident Representative, UNDP, Lilongwe
Mr. Simon Mhongo	Programme Officer, UNDP, Lilongwe
Mr. J. Turner	Project Manager, MLW/75/019

MALAWI

MLW/75/019 - FISHERIES EXPANSION PROJECT

GENERAL FEATURES AND FISHERIES BACKGROUND

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Biological Studies on the Pelagic Ecosystem of Lake Malawi - J. Turner
To Be Published in 1982
2. Excerpts from Draft Project Terminal Report to Be Published in 1982

MALAWIMLW/75/019 - FISHERIES EXPANSION PROJECTGENERAL FEATURES AND FISHERIES BACKGROUNDA. General Features

1. Malawi, a landlocked country lying between 11° and 15° south latitude and 33° and 36° east longitude, is bounded on the east and south by Tanzania and Mozambique and on the west by Zambia. It has a total area of about 120,000 km², of which just under 25,000 km² (or about 20%) are covered by water. In 1981, the population was estimated at between 6 and 6.5 million with an annual growth rate of about 2.5%. The principal geographical feature is Lake Malawi, about 570 km long and between 15 and 70 km wide, which is drained into River Zambesi to the south by the River Shire. Alongside and to the west, a mountainous spine varying in height between 1,000 m and 2,500 m, runs parallel to the lake which is located on the Great Rift Valley. The lake is reported to be the fourth deepest lake in the world at over 700 m in its northern region.
2. Other smaller lakes occur; Lake Malombe on the River Shire, south of its outfall from Lake Malawi, with an area of about 390 km², is very shallow as are the other Lakes Chilwa and Chiuta to the south-east and close to the Mozambique border. These latter lakes are subject to extreme variations in depth, even to drying up, since there are no rivers flowing into them with constant water flow and also because of the high rate of evaporation.
3. The population has a higher density in the southern region with its more fertile land and industrial cities, where it is estimated to be about 3 million; just over 2.3 million live in the central region and not more than 0.75 million in the more remote and mountainous northern region. The southern and central regions are also served by a number of good quality bitumen roads and a railway service, while in the north there are only few all-weather roads, mainly those connecting the main cities.
4. The climate varies between mild-temperate in the mountain regions to more tropical and humid in the lower-lying southern regions along the Shire river and swamps.

B. Fisheries BackgroundLake and River Fishery

5. Traditional Sector. The fishery industry in Malawi is predominantly a lake fishery with lesser activities based on rivers and associated marshes. It is mainly a traditional small scale operation with craft and gear owned mostly by merchants and crewed by local fishermen. It is labour intensive, with about 20,000 full-time fishermen operating over 10,000 vessels under 10 m in length, of which just under 8,000 are dugout canoes and about 2,000-2,500 are small planked boats, 40% of which are reported to have low powered outboard motors.

6. In the northern region of Lake Malawi and other lakes, canoes of the dugout type predominate with poles or oars, while in the centre and south regions of Lake Malawi are found most of the powered craft and pair trawling units.

7. The pair trawling units were introduced in the early mid-1970s by an FAO/UNDP project and have since been successfully expanded by the EDF bilateral assisted project. The vessels are simply local-built units, about 6-7 m in length, with 20 hp inboard diesel engines but without winches. They operate during daylight hours only in the central area and parts of the south-western areas of Lake Malawi.

8. Average catches for the traditional canoes and planked boats with crews of 3-4 using gill nets are said to vary from 1 kg/100 m gill net piece in the northern area up to 12 kg in the southern part of Lake Malawi. Fishing is conducted on not more than 120 days per year. In the case of the pair trawling units, each boat, manned by a crew of 3-4 men and one skipper and operating about 200 days per year, is said to catch between 300 and 450 tons of fish per year per pair unit. The larger figure is said to be from the more southern portions of the lake. As is the case with the traditional sector, all boats and gear are privately owned by the local merchants and are crewed by local fishermen who are frequently only given a ration of meal and some fish on landing, probably an equivalent at most of MK10-15 (in cash or kind) per month. There are no fishery cooperatives in Malawi.

9. Industrial Fishery Sector. One Government owned and operated industrial fishery enterprise, MALDECO, is based on the south-western shore of Lake Malawi near Fort Johnson. It is a subsidiary of the Government of Malawi Development Corporation. The MALDECO plant consists of a tunnel freezer-cold storage complex (5 cold rooms at 20-ton capacity each and minimum temperature of -20°C), an ice plant (capacity of up to 14 tons/day), a chill room at 0°C to 4°C to store fresh fish in ice, a boat repair slipway and workshops and a private landing jetty and unloading equipment. The enterprise operates a fleet of two trawlers (18 m and 14 m) and a number of seiners of about 12 m for ring-netting and proposes buying a number of new vessels of about the larger sized trawler type. The fishing units are kept out on the grounds for long periods of time, are serviced and catches landed by means of carrier boats, of which the company possess 8 varying in size between 8 m and 10 m each with carrying capacity from 1 to 5 tons. Crews of the vessels are changed every 12 hours and boats only come ashore for repairs and maintenance. Likewise, the processing plant operates on a two shift 24-hour-day basis. The company employs about 750 workers, of whom about 240 are duplicate crews for the fishing vessels and carriers. It was difficult to get details of throughput since figures were not available in the plant during the time of the visit, but it was hesitantly put forward that about 1,000 tons of fish was landed during the previous 12 months. However, it was clearly stated that 1981 was a very poor year and the enterprise stood to lose heavily on their operations.

Aquaculture

10. Fish farming is considered to have some potential in the country. So far, its contribution to the supply of fish is very limited. Presently, about 600 farmers operate small scale ponds (0.1-0.2 ha). About half of them are located in the southern part of the country. Yields are estimated at only

about 0.5 ton/ha and total production from fish farming is estimated at 100 tons per annum. The only successful development seems to have occurred where a small number of larger private companies, e.g. tea or sugar estates, have established aquaculture to help feed their workers. Such estate run ponds account for about one-third of the total annual output from aquaculture, farmers' ponds for about half, with the balance coming from the two Government stations at Domasi and Kasinthula.

11. Little has been done, however, to develop aquaculture or popularize it in the country. With only one trained extension worker available to cover the whole country, results have not been noteworthy. Shortage of water supply in certain selected areas for the location of stations has also been a great hazard to operations. A further and probably the most serious constraint is the price structure for the marketing of fish and fish products. The controlled maximum price at the farmgate of about MK0.5/kg would not, even if they could get this directly from consumers, permit fish farmers to gain a profit on their operation when they would have to fertilize their ponds and feed the fish with costly inputs.

Resources and Production

12. The total resources of Malawi waters have been estimated to produce a maximum annual sustainable yield of about 60,000-70,000 tons. The Director of the Fisheries Department has firmly stated that there is very little leeway in the fisheries of the lakes to increase production over existing exploitations. Certain species such as chambo are at or over the maximum potential yield in many lake areas as also are some of the cyclid species, while there might be slight room for a minor increase in other species such as utaka and usipa.

13. While certain evidence based on data collected from 1975 to 1977 indicated that the average annual production was then about 70,000 tons, more recent years production has been reported to have fallen off considerably from this figure. It is believed that total annual landings may have been reduced to 45,000 to 50,000 tons, of which only insignificant quantities arise from aquaculture activities and a reported 1,000 tons from the industrial fishery MALDECO. This reduction is reported to have been caused by two occurrences but their relative importance is not known. The first and probably the most damaging to landings has been the long term increase in the level of Lake Malawi. This has remained more or less constant resulting in a partial failure of the upwelling which normally brings large quantities of plankton to surface waters for feeding purposes. The second occurrence which has been attributed to the reduction is that of overfishing in the southern area of Lake Malawi and in Lake Malombe.

14. The mission was informed that over the past few years the production of fish from the various sources probably averaged as follows (no firm data was however available to substantiate these estimates):

	<u>Tons</u>
Lake Malawi	20,000-25,000
Lake Malombe	3,000-7,000
Lakes Chilwa and Chiuta	2,000-5,000
River Shire and marshes	8,000
Other marshes and miscellaneous (including aquaculture and industrial)	8,000

Processing, Marketing and Prices

15. When fish is landed on the beach from the traditional craft, it is bought by local or visiting traders either in small or large quantities, depending on the species and the resources of the traders (many of whom are local merchants or ex-fishermen). The traders bring small quantities of the fish in fresh condition, especially if they have been able to get some ice locally, direct into local markets, or sell to larger traders who dispose of it in the principal city markets. The remainder of the fish is processed by the trader on the beach or nearby; sun-drying or smoking are the principal processing methods used. Smoking is especially favoured during the dull and wet season since there can be very large losses if sun-drying only is resorted to.

16. The smaller varieties landed by MALDECO, such as usipa, are brined and sun-dried on wire racks in a manner similar to the kapenta drying operation at Lake Kariba in Zambia, and a portion of this product is exported officially or unofficially, mainly to Zambia.

17. MALDECO freeze most of the larger fish and other selected species from their landings and distribute it in the city markets or on export, while other fish and much of the medium sized varieties are preserved fresh in ice and sold to local wholesale or retail merchants at the plant. One merchant buys large quantities of this iced fish and conveys it by lorry (5-ton units when available, probably once or twice per week) to the more northern regions of Mzuzu and Mkhata Bay, where there is a heavy but yet unfulfilled demand for fresh fish.

18. Retail prices are fixed by the Government, but no such regulation exists at the producer end. As to be expected under such conditions, higher prices are paid to the fishery boat owners at landing points where the few good access roads occur relatively close to the main market centres.

19. Current retail prices in the main markets vary for species size and quality between MK0.7 and MK1.10/kg. This price is very similar to meat prices, where only the best cuts would exceed MK1.50/kg, and it would seem that the Government are anxious to keep both prices as low as possible. Prices on the beach may vary between MK0.15 and MK0.30, depending on location and species. While boat owners, merchants and traders get a good return on their activities, the fisherman earnings are very restricted with little hope of improvements under present pricing policies.

Credit Arrangements

20. While the industrial fishery is financed by private banks, the needs of the boat owners in the traditional fishery are met from non-institutional sources. Since the actual fisherman gets very little pay, if any, and is principally paid in kind, he has rarely any possibility to purchase a boat or fishing gear for himself, and no credit arrangements to meet his needs are available either from Government or private sources.

Fishery Support Services

21. The Fisheries Department, vested in the Ministry of Forestry and Natural Resources, seems to suffer mostly from a shortage of funds and somewhat less so from lack of trained manpower. The annual budget allocation of MK500,000 is barely sufficient to cover the salaries and wages for the 360 staff, of whom 61 are senior staff (20 with an academic degree). Revenues from granting fishing licences and from selling fish are small and the meeting of recurrent expenditures represents considerable problems. There are 29 offices throughout the country and 70% of the staff are involved in field work. A coherent strategy for the fisheries sector seems to be lacking.

22. The Fisheries Training Centre at Mpepwe, established with the assistance of an FAO/UNDP project in 1969, offers courses in boat building (3 years), marine mechanics (4 years) and fisheries in general. Entrance requirement is a minimum of two years secondary school. Students are selected by the Public Service Commission. The annual output is up to 10 boat builders, 10 marine mechanics and 15-20 general fishery experts. Training to fishermen is offered in one or two courses per year (3 months) for 4 crews at a time. A boatyard is attached to the centre. The centre has a teaching staff of 13 and up to 70 students at a time. It seems to be quite well organized.

Bilateral and Multilateral Assistance

23. FAO/UNDP have, over the past decade, assisted Malawi fisheries with a number of technical assistance projects. These include:

- (i) 1969-1972 DP/MLW/69/507 Fisheries Training Project, with the objective to improve fishing productivity through the training of fishermen and others in the fishing industry.
- (ii) 1976 MLW/72/011 Fisheries Biology Training, with the objective to train three Malawians to degree level in fisheries biology to enable them to occupy professional posts in the Fisheries Department.
- (iii) 1972 TF/MLW/5 (DEN) a 6-month Danish Government donated trust fund to train boat builders in the building of keel boats to replace dugout canoes and so to withstand better the bad weather conditions when they occur.
- (iv) 1977-1981 MLW/75/019 Fishery Expansion Project, the selected project on which the present mission was based, established in 1977 to investigate the possibility of locating commercial quantities of small pelagic resources in the deeper waters of the northern area of Lake Malawi. Appendices 1 and 2 give an abstract of a draft technical paper

by the project manager, summarizing his findings, and selected excerpts from a draft project terminal report, both to be published in 1982. In brief, the project using a number of exploratory fishing and scientific research methods was unable to locate any resources which could form the basis for a commercial operation in the northern region of Lake Malawi.

24. European Development Fund (EDF) Assistance. In 1968, an extensive lakeshore rural development project had been commenced with German Government bilateral assistance, but since October 1980 it has operated as a separate project with EDF funding. It is located near Salima at Sanga Bay and covers activities located in Lake Malombe and in the southern part of Lake Malawi northwards to about midpoint in the lake, some 75 km south of Nkhata Bay.

25. The objectives of this project are to increase the supply of fish in Malawi and in particular in the project area, and to improve living conditions of traditional fishermen. These would be achieved by:

- (a) developing a selected number of fish landing places with improved handling and processing and better marketing arrangements, including ice availability and improved access roads, where a total of about 30 km roads serving between 6 and 8 centres may be improved;
- (b) opening up untapped or underexploited fish stocks out of reach of the smaller canoes and then handing over the activities to private owners and enterprises. This has been done especially by developing the FAO/UNDP introduced small boat pair trawling activity, now being successfully operated;
- (c) providing credit to boat owners to purchase boats, especially the pair trawler units and gear;
- (d) providing the necessary management and organization to control the project operations under the direct responsibility of the Director of the Fisheries Department with Government nominated and generally British Government (ODA) recruited staff.

26. An exploratory fishing unit and a commercial unit established in the project together determine the commercial fish potential in the areas with untapped stock, and thus show the way to investors who are provided with appropriate boats through a boat building programme with associated credit scheme. Units of two boats with gear used for pair trawling built in the yard, cost MK18,000 and are purchased by businessmen, mostly from outside the fisheries sector, who employ a skipper and a crew for their operation. The building programme constructs about 25 of these boats annually, but has built some 250 other small plank boats (16-20 ft) during the about 10 years of the boatyard's existence.

27. The total cost of the project over a 5-year period will be European Units of Account (EUA) 1.8 million, divided as follows:

	<u>%</u>
Infrastructure	24
Boats, vehicles and equipment	11
Technical assistance	30
General operating costs	23
Revolving credit to fishermen	1
Reserve for contingencies	11

The project is programmed to terminate at the end of 1982, but an extension to selected points northwards has been proposed.

28. Other Assistance. The British Government have provided the Government of Malawi with technical and management staff to assist in running their fishery activities both at headquarters and in the field. Two boatyards funded by non-Government aid agencies are constructing ferrocement boats for the fishery industry. One on the northern shore of Lake Malawi at Karonga is constructing 6 such boats of 18 ft and 22 ft, while one at Malindi is constructing a similar number of 19 ft length with a hull cost of about MK800-900. A boat building firm from UK (Messrs. McAlister Elliott and Partners Ltd.) are in charge of these operations and have been coordinating their activities with the EDF-funded project.

Fishery Development Plans

29. The Government, knowing the fish resource limitations in their national waters, have been finding it difficult to prepare a development plan for the industry. A final decision was left until the results of the FAO/UNDP Northern Lake Exploratory Project were known. Since these have been most discouraging, the Government now wish to try and take the maximum benefit from existing resources which would be achieved by:

- (a) improvement in handling and processing at all landing centres and distribution points;
- (b) supply of ice to be made more readily available at principal centres;
- (c) improvement in distribution by making fresh-in-ice and smoked or dried fish more readily available to the more remote northern areas;
- (d) development of aquaculture in the more favoured areas where constant supplies of water are available and other suitable conditions exist.

MALAWIMLW/75/019 - FISHERIES EXPANSION PROJECTABSTRACT OF DRAFT PROJECT TECHNICAL REPORT NO. 1BIOLOGICAL STUDIES ON THE PELAGIC ECOSYSTEM OF LAKE MALAWI - J. TURNER
TO BE PUBLISHED IN 1982

1. The Fisheries Expansion Project was started in 1977 to assist the Government of Malawi to establish a reasonable forecast of the pelagic fish stocks and their potential yield in Lake Malawi. This report is a collection of papers on studies of the pelagic ecosystem of Lake Malawi prepared by various staff members of the project and the Malawi Government.
2. The major features of the limnology of the lake are described, including observations on temperature, oxygen, chlorophyll, light extinction, primary production and zooplankton abundance. Vertical mixing is believed to be the most important generator of variation in productivity, with the prolonged mixing in May-June resulting in a regular and extended maximum in primary production and zooplankton abundance at that time.
3. A number of studies were concentrated on Engraulicypris sardella because of its pelagic features. Larval fish were found in all samples at all times of the study. They are daytime feeders, with zooplankton increasingly important as food as they grow larger. Based on otolith daily growth rings, E. sardella are estimated to grow to 5 mm long at 10 days of life, 15 mm at 37 days and 128 mm at 12 months. E. sardella reach a maximum length of 135 mm. Catches of adult fish indicate that the May-July period is the most favourable period for survival of larval fish. No relationship is evident between spawning stock size and size of the resultant year class. Year class strength is highly variable.
4. The total pelagic fish biomass of the lake was assessed with quantitative acoustic gear in 1979 and 1980. The fish biomass was estimated at 94 kg/ha in October 1979 and 86 kg/ha in April 1980. An independent estimate of 75 kg/ha was made using the results of purse seine catches. The annual total yield is estimated at 30 to 40 kg/ha.
5. Purse seine catches decline rapidly when proceeding offshore, with the catch rate at one mile offshore almost one-half of that near shore and at three miles offshore it is one-fourth that near shore. Utaka (Haplochromis spp.) comprise 72% of the catch but were only common near the edge of the lake. Monofilament gill net catches average 0.67 kg/100 m net at two miles offshore. The results of the acoustic survey, purse seine catch, and monofilament gill net catch indicate that the pelagic fish population is quite small and not adequate to support a commercial pelagic fishery.
6. Estimates of primary production in Lake Tanganyika are similar to that in Lake Malawi but pelagic fish biomass is estimated to be 1.6 to 10 times greater, the difference depending on the acoustic estimate compared. A

hypothesis is put forth that the difference may lie in the utilization of the secondary or zooplankton production; in Lake Tanganyika most of the production goes directly into the small clupeid fish species whereas in Lake Malawi a larger percentage of the production is consumed by the invertebrate Chaoborus, or lake fly, which in turn is not fully utilized by the fish population.

MALAWI

MLW/75/019 - FISHERIES EXPANSION PROJECT

EXCERPTS FROM DRAFT PROJECT TERMINAL REPORT
TO BE PUBLISHED IN 1982

A. Project Objectives

1. The long-range objective of the project was to assist in the expansion of the recently established indigenous mechanized fishery. This was to be achieved through eight immediate objectives:
 - (i) In cooperation with the Government's programme of exploratory survey and stock assessment, to establish a reasonable forecast of total stocks in the lake and their potential yields, particularly in the central and northern areas of the lake.
 - (ii) To estimate the economic potential of the developing fisheries in these areas and advise on their optimum exploitation, possibly in association with bilateral aid projects.
 - (iii) To extend the existing credit scheme to operate through new fish landings and markets in appropriate centres in the central and northern lakeshore areas.
 - (iv) To ensure the effective landing and distribution of fish caught by the mechanized fishery.
 - (v) To continue environmental studies in the vicinity of the proposed pulpmill on the lakeshore for the consideration of the possible effects of pulpmill effluent after primary or possible secondary and subsequent biological treatment, and recommend the most compatible action for optimum ecological and economic benefit.
 - (vi) To expand the pilot fish farm (in conjunction with bilateral aid) in the south, if appropriate, and investigate the feasibility of commercial fish farming in the north.
 - (vii) To expand the commercial operation of the boatyard (in conjunction with bilateral aid) and extend if possible in the north.
 - (viii) To train Malawian counterparts and others in fishing, fish processing and marketing, fish farming, marine engineering and other ancillary activities connected with the project.

B. Biological Studies

Limnology

2. The limnological studies provided a background of environmental information necessary for an understanding of the pelagic ecosystem of Lake Malawi. Emphasis was placed on the long-term monitoring of limnological conditions near Nkhata Bay, as well as on surveys covering the entire length of the lake.
3. Lake Malawi is the fourth deepest lake in the world, with a maximum depth of 758 m and an average depth of 426 m. The lake is extremely clear. The annual outflow from the lake is less than 1% of the volume. Lake levels have been rising the past several years with the level in 1980 the highest in recorded history.
4. The lake can be considered as having a three-layer system. The deep water layer extends from the bottom of the lake up to a depth of approximately 250 m. It has always been devoid of oxygen throughout recorded history. It has a very limited exchange of energy and matter with the upper layers and is not inhabited by fish.
5. The upper region and the middle region undergo yearly cycles of stratification and vertical mixing. The surface waters start to warm up in September and a thermocline develops at 30-60 m depth by October-November. The thermocline gets deeper with increasing temperature until May-June when it is found at 80-100 m. Maximum mixing of the upper and middle region occurs in late May or early June due to cooling water temperatures and steady southern winds and continues until the hot season in September.
6. This extended, well mixed period from June-September resulted in the maximum levels of primary production as measured by the Carbon 14 method. Other irregular events during the stratification period can sometimes generate short-term high levels of primary production but they are not as significant as the June-September period. Variation in space and time of vertical mixing is believed to be the most probable environment generator of variability in productivity and standing stocks.
7. Only five species make up the pelagic zooplankton community in Lake Malawi. These include two copepods, Diaptomus kraepelini and Mesocyclops leuckarti; two cladocerans, Diaphanosoma exisum and Bosmina longirostris and one insect larvae, Chaoborus edulis. Although there is a great deal of variation in individual species abundance, the total zooplankton biomass was greatest from May-August, a recurring phenomenon for the three years for which data is available. This is probably a response to the increased primary production at this time.
8. Two surveys were conducted down the centre of the lake to determine lakewide differences in zooplankton numbers. Abundance estimates were found to decline in a south to north direction. The highest abundance was found

in the South East and South West Arms, medium estimates from Salima to Dwanga and low estimates for the rest of the lake to Karongo. Nkhata Bay estimates fall within the lowest zooplankton counts.

9. There is little vertical migration of the zooplankton species in Lake Malawi. Most species are found in equal abundance between the surface and approximately 100 m both day and night.

Fishery Biology

10. Biological studies were concentrated on the major pelagic fish species, which include Engraulicypris sardella (locally called, usipa), Haplochromis spp. (utaka), Rhamphochromis spp. (moheni) and Opsaridium spp. (sanjika). E. sardella was considered at the start of the studies to be the only truly pelagic species in the lake and of potential importance for the fisheries, so a number of studies have concentrated on it.

11. A study of larval fish was conducted over a three-year period. Only four larval fish were caught other than usipa larvae and these were caught in the project stations nearest the shore. Larval usipa were present throughout the entire lake at all times in 533 of 534 samples. No significant differences were found between the catch rate of larvae at equal distance from the shore. However, in a lake-wide survey, significantly higher numbers were caught at both ends of the lake, with the catch at Nkhata Bay near the low point of larval abundance.

12. Catch rates of older larvae were highest in June following the breakup of thermal stratification, which is also during the period of extended phytoplankton and zooplankton production. Numbers of larvae were also high in February after the start of the rainy season. Larval usipa up to 11 mm exhibited strong migration patterns, moving down to 100 to 150 m at night and back to 10 to 60 m during the day. Older larvae failed to show this pattern.

13. Larval usipa feed almost exclusively during the day. Both zooplankton and phytoplankton are found in the stomachs of all sizes of larvae, with zooplankton occurring in increasing numbers with increased size of larval fish. Their movement to the upper 60 m of water during the day is probably for feeding. The highest concentration of both total phytoplankton and each of the zooplankton species occur in the upper 60 m during the day. Based on empty stomachs, the small larvae appear to be feeding little relative to larger larvae.

14. Ear bones or otoliths were used to determine the daily growth rate of larval usipa. They grow to 5 mm long at 10 days of age, 10 mm at 28 days, 15 mm at 37 days, 60 mm at 110 days and 100 mm at 190 days. Adult usipa grow to an estimated maximum length of 135 mm. Their growth rate is quite high compared to some other species.

15. Adult usipa are also daytime feeders with maximum feeding occurring just after sunrise. The copepod Mesocyclops is a major food item for juvenile usipa caught along the shore of the lake. Bosmina were also utilized when they were available. Mesocyclops and Diaphanosoma were major food items for the larger fish.

16. An analysis was made of the catch data from a purse seine fishery for usipa at the southern end of the lake. Catch rates for individual years follow a declining pattern from January through June/July, then increase for some years from July to October/November. Based on the declining catch, per effort, annual mortality rates were estimated to vary from 89 to 99% for five year classes. The fast growth rate, together with a high mortality rate, suggests a rapid turnover rate for usipa so that a high exploitation rate could be expected.

17. The annual catch of usipa is highly variable and not one that could be expected to support a continuing major fishery. An analysis of seven different year classes showed two good, three intermediate and two very poor years. No relationship was evident between the spawning stock size in one year and the size of the resultant year class.

Acoustic Stock Assessment

18. The distinction between acoustic targets of fish and targets of plankton did not raise any problems with the project equipment. Plankton layers gave a diffuse target, whereas fish produce a clear and distinct recording. The identification of the species or genus of a fish is very difficult if not impossible in most cases. The shape of a school and its depth preferences allow for some identification.

19. Acoustic echograms off Nkhata Bay show that fish densities are highest from November to April and lowest from June through September. Comparison of abundance estimates at 7, 11 and 18 km offshore revealed a very even distribution of fish and, in only 3 of 22 surveys did the densities differ significantly according to distance from shore.

20. The heaviest concentrations of fish occurred from 30 m down to 180 m. Fish were observed as deep as 230 m. The bulk of the fish tended to stay higher in the water column from April to June and deeper from September to November.

21. Usipa formed schools during daylight but dispersed into single targets during the night. A comparison of abundance estimates from day and night sampling revealed that day soundings were 70% of the night sounding estimates. Similar differences were reported from studies in Lake Tanganyika.

22. Estimates of the pelagic fish biomass of the lake were made with quantitative acoustic gear in 1979 and in 1980. The surveys covered 55% of the total lake surface. The first survey in October 1979 gave an estimate of 94 kg of fish per ha and the second survey in April 1980 an estimate of 86 kg per ha. Higher fish concentrations were evident in the South East and South West Arm of the lake during both surveys, as well as in the northern end of the lake in 1979.

23. An independent estimate of pelagic fish biomass was also made using the results of purse seine catches. This provided an estimate of 75 kg/ha in the Nkhata Bay area. The annual total yield is calculated to be 45 to 50% of the pelagic biomass, or approximately 40 kg/ha.

Lake Malawi's Pelagic Ecosystem

24. The levels of primary production in Lake Malawi and Lake Tanganyika are very similar as measured by the Carbon 14 technique. Yet, quantitative acoustic surveys show a pelagic fish biomass difference of 1.6 to 10 times greater in Lake Tanganyika; the difference depending on the particular acoustic survey compared. One would expect similar levels of pelagic fish biomass based on similar levels of primary production.

25. A hypothesis is put forth that this difference may be due to the utilization of secondary or zooplankton production. In Lake Tanganyika most of this production is believed to be consumed directly by fish due to the efficiency of the two species of Lake Tanganyika sardines in the pelagic waters. In Lake Malawi a large percent of the secondary production is consumed by the aquatic larvae of the lake fly, Chaoborus, which in turn is not fully utilized by the fish population. Recent studies have shown that over 90% of the zooplankton production is taken by lake flies.

26. Most East African lakes have a population of Chaoborus and a number of cladoceran species, except for Lake Tanganyika, which has neither. It is believed that they were eliminated at one time by the highly efficient planktivore species in Lake Tanganyika. Lakes Kivu and Kariba, in which the Lake Tanganyika sardines have been successfully introduced, appear to now have reduced cladoceran populations.

Pelagic Fishing Techniques

27. The coastline of Lake Malawi is very steep in the north so that deep water is found close inshore. Most of the fishing is done with dugout canoes and the fisheries are all associated with the edge of the lake. Their range of operation is usually confined to within 2 km of the coast. These fisheries are under very heavy fishing pressure. Because of this, project efforts were directed towards the use of pelagic or open water fishing methods and included trials with liftnets, monofilament gill nets, and ringnet or purse seines.

28. Liftnet trials were made with a catamaran constructed from two dugout canoes. The net tested was 8 m by 8 m sq and 17 m deep, constructed of 13 mm stretched mesh. Both paraffin lamps and car lights were used to attract and concentrate the fish at night. The catch rates were very poor. The largest catch was 35 kg for one night's fishing.

29. Monofilament gill nets with various mesh sizes were set overnight 3 km directly east of Nkhata Bay. Sets were made at the surface and 30, 80, 120 and 160 m depths. An average of 0.66 kg of fish were caught per 100 m of net. Most of the catch was taken at the surface and at 30 m depth; even then, the highest average catch per overnight set at the surface was 1.44 kg per 100 m of net. The traditional inshore catch rate in Nkhata Bay was 2.4 kg/100 m net in 1977 and 2.5 kg in 1978. The ratio of gill net catch rates for inshore to offshore is quite comparable to the inshore to offshore difference with the purse seine, as discussed below.

30. The initial purse seine tested was 264 m long and 46 m deep, which was later extended to 62 m deep. The body of the net is made of knotless nylon with 13 mm stretch mesh. The net samples a surface area of .55 ha. Fishing was conducted at night with lamp boats, which attract and concentrate the fish.

31. A total of 242 purse seine hauls were made in the Nkhata Bay area from March 1980 to April 1981 and 9.4 tons of fish were caught, for an average catch of 39 kg per haul. An analysis of the results shows a rapid decline in catch as fishing proceeded offshore. The catch rate at 1 mi offshore is almost half of that near the shore. At 3 mi offshore the catch is one-fourth of that near the shore.

32. Utaka, a group of zooplankton feeding species, comprise 72% of the total catch and are common only near the shore. Sanjika, mcheni and usipa comprised 10.5%, 8.2% and 7.6% of the catch respectively. Both sanjika and mcheni are fairly evenly distributed offshore but usipa catch data suggests a declining catch with increasing distance offshore.

33. Purse seine catch rates were lowest from June through August and higher throughout the rest of the year, which is similar to the results of the seasonal acoustic surveys. This is believed to be caused by the changes in the thermal stratification of the lake at that time.

34. Purse seine fishing in the area around Likoma/Chizumulu Islands and in the north from Chilumba to Karonga resulted in low catch rates very similar to the Nkhata Bay area. The results of the acoustic survey, the purse seine catch and the monofilament gill net catch indicate that the pelagic fish population is quite small and certainly not adequate to support a commercial fishery in the pelagic waters of Lake Malawi.

C. Fish Transport and Marketing

35. A marked imbalance exists in both fish consumption and retail price of fish between the Mzuzu area of northern Malawi and the southern area of Malawi. Project studies have shown that the average fish consumption per person in the Mzuzu-Mzimba-Rumphi districts is estimated to be 32% of the national average. Retail prices are at least $1\frac{1}{2}$ times higher for fresh fish and even higher for dried fish. Fresh fish are rarely available inland from the lake.

36. A survey of the traditional fishery landings at the beach in Nkhata Bay shows that an average of only 2-4 tons were landed per month over a six month period. All the catch was immediately sold on the beach. Acoustic studies, purse seine catch and monofilament gill net catch results show that there are not sufficient pelagic fish stocks to support a commercial fishery in the north.

37. The major fishery resources in Malawi are in the southern end of the lake. Because of this imbalance, the project examined different ways of transporting fish to the north. The quickest method with the least cost was to encourage fish transport by a private truck owner/trader. Arrangements were made with MALDECO Fisheries Ltd., for a supply of 5 tons of fish per week over a three-

month period. Initial organization and sales promotion were provided by the project. The test results proved very successful, showing a high demand for fresh fish in the northern region. Fish were generally sold out by noon on the day of delivery.

38. It was decided that Mzuzu would be a better location than Nkhata Bay to set up a fish market. Most of the fish transported north were sold in the Mzuzu area and an all-weather road is planned to be completed to the area in the near future. A portable ice making machine and cold storage room should be ordered. These can be moved wherever they are needed, depending on the particular situation. A market storage facility at Mzuzu would mean that fish could be brought north at any time and a steady supply of fish made available in the market place. It would be necessary for a consultant to come to Malawi to organize a steady fish supply to the north and to set up the management of a new fish market.

D. Recommendations

Malawi Fishery Resources

39. Fish are very important to most Malawians; approximately 70% of their diet of animal protein is comprised of fish. However, according to the fish catch records of the Fisheries Department, the total catch in Malawi over the past nine years has remained in the range of 60,000-80,000 tons per year, with a catch of 80,000 tons in 1972 and 67,000 tons in 1980. About 30,000-40,000 tons are from Lake Malawi. At the same time the population of Malawi has been increasing at a doubling rate every 20-25 years; the rate depending on the particular study results used. Obviously the increase in fish catch has not kept pace with the population growth, not unusual in present day world fisheries.

40. Following are four possible methods of increasing the fish catch in Malawi:

- (i) Locate new unexploited fish stocks.
- (ii) Better management of presently exploited fish stocks.
- (iii) Develop fish farming production.
- (iv) Increase efficiency of pelagic ecosystem of Lake Malawi.

41. Unexploited Fish Stocks. One possible way to increase the fish catch is to locate new resources that have not been exploited. Fisheries officers located throughout Malawi have been attempting to do this for some time, as has the present Fisheries Expansion Project. Occasionally, limited new trawling grounds have been located or a new way of fishing found. It is evident from the project study that there is a very limited pelagic fish resource in the open waters of Lake Malawi, certainly not adequate to support a commercial fishery. It is becoming increasingly clear that there is not much opportunity for any large scale expansion of this type throughout the country.

42. Better Management of Present Stocks. A second possible way to increase the fish catch is through better management of the presently utilized fish stocks. The simplest and most practical way requires the use of good catch and effort data that has already been collected. It is for this reason that the project has emphasized the computer tabulation of the past catch records for both the commercial and traditional fisheries.
43. The catch data for the commercial fisheries has been compiled each year since 1968 and is ready for an analysis of the various fisheries. This is a difficult undertaking and, although biologists in the Malawi Fisheries Department have been trained for this, they may require some additional assistance from FAO in the form of a short term consultant.
44. The computer programme for the traditional catch data should soon be complete; then, as many of the past years catch data as possible should be tabulated. As with the commercial catch data, some outside assistance may be necessary for the analysis.
45. The opportunity for any major increase in total fish catch through better management is also limited. This method simply helps to adjust catches at or near the maximum sustainable yield from the present fisheries.
46. Fish Farming. A third way to increase the catch is through fish farming. There is a real need for the encouragement of fish farming to help supplement the fish supply in the north, especially inland from the lake. With a well planned project and good organization and supervision, there is a potential for a modest annual increase in fish catch over an extended period of time.
47. An FAO mission was sent to Malawi in early 1981 to review the Government's present programmes in aquaculture and to identify opportunities for improving food production through fish farming. A project document was submitted to UNDP and the Malawi Government for their consideration. The major objectives of the proposal are:
- to implement the present programme on applied research for aquaculture;
 - to train field extension workers and create a national aquaculture extension service;
 - to provide a sound basis for the development of fish farming with a view to increase fish production in the central and northern regions of Malawi; and
 - to strengthen the economic conditions of the rural areas by promoting and encouraging fish farming integrated with animal husbandry and crop production.
- It is highly recommended that this project be implemented because of the acute shortage of fish in northern Malawi.
48. Modifying Lake Malawi Ecosystem. The fourth method of increasing the fish catch is to modify the present ecosystem of Lake Malawi with the intention of making it a more efficient fish production system. This method has the greatest

potential for increasing the total fish catch in Malawi but it also has the greatest number of unknowns and risks. If the project hypothesis is correct, the total fish yield of Lake Malawi could be increased several times the present catch by the introduction of the Lake Tanganyika clupeids.

49. Project studies have established that there is a very limited pelagic fish population and that most of the zooplankton production of Lake Malawi is being consumed by lake filies. Additional studies are, therefore, recommended to examine the potential risks and benefits of the proposed introduction of the Lake Tanganyika sardines. These include:

- (a) Assess the possible effects of the introduction of Lake Tanganyika sardines on the tilapia fishery in the southern part of the lake.
- (b) Further evaluate whether the Lake Tanganyika clupeids will feed on and reduce or eliminate the Chaoborus (lake fly) species.
- (c) Estimate the possible economic effects of the introduction, including potential yield, income, employment and the kinds and quantities of investments needed to develop such a fishery.
- (d) Collate and evaluate all available information on the ecological role of the Lake Tanganyika sardine in its own habitat and on the impact of its introduction to Lakes Kivu, Cabora Bassa and Kariba.
- (e) Encourage an independent evaluation of the possible effects of such an introduction on other endemic fish fauna in the lake and solicit expert opinion on the nature and magnitude of the risks involved.

Fish Transport and Marketing

50. The quickest way to help solve the problem of limited fish resources in the northern area is to transport fish caught in the south to the north. The improvement of roads in the northern region will soon make it possible to move fish throughout the year. A fish market/storage facility in Mzuzu, equipped with an ice making machine/cold storage room facilities, should be constructed so that fish can be brought north at any time and a steady supply of fish would then be available in the market.

51. A fish market consultant should be assigned to Malawi to set up and organize the market after the equipment has arrived. The consultant should also spend a major part of the time in organizing and promoting a steady fresh fish supply to the north via private fish traders.

Mrs. Doskey WR

	FIELD PROGRAMME CIRCULAR		No. 3/82
	PROGRAMME UNDP	Cat. 2	SUPERSEDES 3/81

Subject: UNDP Projects - Guidelines for the Budgeting of Experts, Fellowships and Reporting Costs

Originator: Programme and Budget Service, PBE (ODG)

Distribution: Division Directors
Operations Units
Regional Bureaux
Regional Representatives
FAO Representatives
Project Managers

cc: UNDP Resident
Representatives

1. The guidelines below are intended to assist all concerned with UNDP projects, either in the formulation of project budgets or in the implementation of projects. It is issued to show revised pro-forma figures for experts, fellowships and reporting costs and therefore cancels and supersedes FPC 3/81 of 19 January 1981. It is understood that whenever figures can be produced which are more accurate than the proforma figures listed below these should be used instead, e.g. by taking into account commitments against individual expert posts.

2. The guidelines follow UNDP/PROG/FIELD/77 of 31 August 1976 whereby Agencies were asked to develop their estimated actual or pro-forma costs for experts and fellowships and UNDP/MIS/FIELD/33 of 28 December 1976 for the reporting costs.

3. The following are brief explanations on budgeting for the three budget items in question:

A. Expert Costs

(i) Long-Term Expert Posts

... A revised Ready Reckoner for the budgeting of expert posts is attached as Annex I. Monthly pro-forma cost figures are provided by post adjustment class covering the years 1982-1986. They represent the best possible estimate of expert costs whatever the post adjustment classification of a given country is. Estimates for the years 1983 to 1986 include an 8 percent inflation factor compounded yearly to cover all future cost increases. For the budgeting therefore of experts it would be sufficient to know the class in which a country is at the time the budget is prepared and stay within the relevant post adjustment column for the budgeting of future years' expert costs.

(ii) Consultants/Short-Term Posts

Due to the fact that the cost of consultants and short-term experts varies considerably for each different type of activity it is recommended that the figures given hereunder be used only when sufficient material is not available to enable more accurate costs to be worked out. To these figures DSA rates and travel costs should be added.

Monthly rates

(Two months or more)

Average \$2,400 - \$6,000

Daily rates

(Less than two months)

Average \$90 - \$225

B. Fellowships Costs

(i) Fellowships' duration from 1 to 3 months

1982 - US\$ 2,300	per month
1983 - US\$ 2,650	" "
1984 - US\$ 3,050	" "
1985 - US\$ 3,500	" "
1986 - US\$ 4,000	" "

(ii) Fellowships' duration over 3 months to 6 months

1982 - US\$ 1,900	per month
1983 - US\$ 2,200	" "
1984 - US\$ 2,500	" "
1985 - US\$ 2,900	" "
1986 - US\$ 3,300	" "

(iii) Fellowships' duration over 6 months

1982 - US\$ 1,450	per month
1983 - US\$ 1,650	" "
1984 - US\$ 1,900	" "
1985 - US\$ 2,200	" "
1986 - US\$ 2,550	" "

Add for International Travel for each Fellowship

US\$ 1,500	- Country of study within same continent
US\$ 2,500	- " " " in nearby continent
US\$ 3,500	- " " " in distant continent

- Note:
- (a) For fellows training within home country or in institutions in neighbouring countries where residential facilities are available and/or special financial conditions apply, specify these in project document or budget accordingly.
 - (b) For countries of study where the cost of living and training fees are known to be relatively low, the above figures may be reduced up to 30 percent.
 - (c) If UK is foreseen as the predominant country of training, add 10% to the above figures.

C. Reporting Costs

The following are our guidelines for the budgeting of UNDP Project Reporting Costs (Object of Expenditure 52) where project reports are planned to be prepared in 1982:

Formal Reports (at the basic rate of US\$ 109 per 1,000 words)

Terminal Reports	- US\$ 2,600 (60x400-word page at US\$ 44 per page)
Technical Reports	- US\$ 3,900 (60x600-word page at US\$ 65 per page)

Informal Reports (at the basic rate of US\$ 73 per 1,000 words)

Working Papers, Consultant, Assignment Reports, etc., prepared at Headquarters	- US\$ 37 per page (of 500 words)
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Translation - US\$ 237 per 1,000 words

For reports to be produced after 1982, our guideline is to use the following figures, which have been calculated to include a 9 percent annual inflation factor and rounded to the nearest US\$ 100:

	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Terminal Reports	US\$ 2,800	US\$ 3,100	US\$ 3,400	US\$ 3,700
Technical Reports	US\$ 4,300	US\$ 4,700	US\$ 5,100	US\$ 5,600

The charging of reporting costs to projects will be in two stages; an initial charge at the budgeted amount, and a year-end adjustment for all reports completed during the year for the difference between the initial charge and the actual cost.

The use of these guidelines for reporting costs is optional. Whenever the estimated actual cost is materially different from the guidelines amounts, e.g. because the number of pages planned is above or below the number shown in the guidelines, the best estimate should be used. However the eventual charges will be actual in every case.

UNDP / FAO PROJECTS

READY RECOVER FOR BUDGETING OF EXPERT COSTS IN UNDP-FINANCED PROJECTS - REVISION 5

Estimated actual cost per expert man-month

(in U.S. Dollars)

		Post Adjustment Classification																					
CLASS:	A	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
INDEX:	95	100	105	110	116	122	128	134	141	148	155	163	171	180	189	198	208	218	229	241	253	265	
P-1																							
VI	1982	3,520	3,580	3,640	3,710	3,790	3,870	3,950	4,030	4,120	4,210	4,300	4,400	4,510	4,630	4,740	4,860	4,990	5,120	5,270	5,420	5,580	5,740
	1983	3,800	3,870	3,930	4,010	4,090	4,180	4,270	4,350	4,450	4,550	4,640	4,750	4,870	5,000	5,120	5,250	5,390	5,530	5,690	5,850	6,030	6,200
	1984	4,110	4,180	4,250	4,330	4,420	4,510	4,610	4,700	4,810	4,910	5,020	5,130	5,260	5,400	5,530	5,670	5,820	5,970	6,150	6,320	6,510	6,700
	1985	4,430	4,510	4,580	4,670	4,770	4,880	4,980	5,080	5,190	5,300	5,420	5,540	5,680	5,830	5,970	6,120	6,290	6,450	6,640	6,830	7,030	7,230
	1986	4,790	4,870	4,950	5,050	5,150	5,270	5,370	5,480	5,600	5,730	5,850	5,990	6,130	6,300	6,450	6,610	6,790	6,960	7,170	7,370	7,590	7,810
P-2																							
VI	1982	3,950	4,020	4,100	4,180	4,280	4,380	4,480	4,570	4,680	4,800	4,910	5,040	5,170	5,310	5,460	5,600	5,770	5,930	6,100	6,300	6,490	6,690
	1983	4,270	4,340	4,430	4,510	4,620	4,730	4,840	4,940	5,050	5,180	5,300	5,440	5,580	5,730	5,900	6,050	6,230	6,400	6,590	6,800	7,010	7,230
	1984	4,610	4,690	4,780	4,880	4,990	5,110	5,230	5,330	5,460	5,600	5,730	5,880	6,030	6,190	6,370	6,530	6,730	6,920	7,120	7,350	7,570	7,800
	1985	4,980	5,060	5,160	5,270	5,390	5,520	5,640	5,760	5,890	6,050	6,180	6,350	6,510	6,690	6,880	7,050	7,270	7,470	7,680	7,940	8,180	8,430
	1986	5,370	5,470	5,580	5,690	5,820	5,960	6,090	6,220	6,370	6,530	6,680	6,860	7,030	7,220	7,430	7,620	7,850	8,070	8,360	8,570	8,830	9,100
P-3																							
VII	1982	4,480	4,570	4,670	4,770	4,880	5,000	5,120	5,240	5,380	5,520	5,650	5,810	5,970	6,150	6,330	6,510	6,700	6,900	7,120	7,350	7,590	7,830
	1983	4,840	4,940	5,040	5,150	5,270	5,400	5,530	5,660	5,810	5,960	6,100	6,270	6,450	6,640	6,840	7,030	7,240	7,450	7,690	7,940	8,200	8,460
	1984	5,230	5,330	5,450	5,560	5,690	5,830	5,970	6,110	6,280	6,440	6,590	6,780	6,960	7,170	7,380	7,590	7,810	8,050	8,300	8,570	8,850	9,130
	1985	5,640	5,760	5,880	6,010	6,150	6,300	6,450	6,600	6,780	6,950	7,120	7,320	7,520	7,750	7,970	8,200	8,440	8,690	8,970	9,260	9,560	9,860
	1986	6,090	6,220	6,350	6,490	6,640	6,800	6,960	7,130	7,320	7,510	7,690	7,900	8,120	8,370	8,610	8,860	9,120	9,390	9,690	10,000	10,330	10,650
P-4																							
VII	1982	5,000	5,110	5,220	5,340	5,480	5,620	5,750	5,890	6,050	6,210	6,370	6,560	6,740	6,950	7,160	7,360	7,590	7,820	8,080	8,350	8,630	8,900
	1983	5,400	5,520	5,640	5,770	5,920	6,070	6,210	6,360	6,530	6,710	6,880	7,080	7,280	7,510	7,730	7,950	8,200	8,450	8,730	9,020	9,320	9,610
	1984	5,830	5,960	6,090	6,230	6,390	6,560	6,710	6,870	7,060	7,240	7,430	7,650	7,860	8,110	8,350	8,580	8,850	9,120	9,420	9,740	10,070	10,380
	1985	6,300	6,440	6,580	6,730	6,900	7,080	7,240	7,420	7,620	7,820	8,020	8,260	8,490	8,750	9,020	9,270	9,560	9,850	10,180	10,520	10,870	11,210
	1986	6,800	6,950	7,100	7,260	7,450	7,650	7,820	8,010	8,230	8,450	8,670	8,920	9,170	9,460	9,740	10,010	10,330	10,640	10,990	11,360	11,740	12,110
P-5																							
VI	1982	5,590	5,710	5,840	5,970	6,130	6,280	6,440	6,590	6,780	6,960	7,140	7,350	7,560	7,790	8,020	8,260	8,520	8,780	9,060	9,380	9,690	10,000
	1983	6,040	6,170	6,310	6,450	6,620	6,780	6,960	7,120	7,320	7,520	7,710	7,940	8,160	8,410	8,660	8,920	9,200	9,480	9,780	10,130	10,470	10,800
	1984	6,520	6,660	6,810	6,960	7,150	7,320	7,510	7,690	7,910	8,120	8,330	8,570	8,820	9,090	9,350	9,630	9,940	10,240	10,570	10,940	11,300	11,660
	1985	7,040	7,190	7,360	7,520	7,720	7,910	8,110	8,300	8,540	8,770	8,990	9,260	9,520	9,810	10,100	10,400	10,730	11,060	11,410	11,820	12,210	12,600
	1986	7,600	7,770	7,940	8,120	8,340	8,540	8,760	8,960	9,220	9,470	9,710	10,000	10,280	10,600	10,910	11,240	11,590	11,940	12,320	12,760	13,180	13,600
D-1																							
VI	1982	6,080	6,220	6,360	6,500	6,680	6,850	7,020	7,190	7,390	7,590	7,790	8,020	8,240	8,500	8,760	9,010	9,300	9,580	9,900	10,240	10,580	10,920
	1983	6,570	6,720	6,870	7,020	7,210	7,400	7,580	7,770	7,980	8,200	8,410	8,660	8,900	9,180	9,460	9,730	10,040	10,350	10,690	11,060	11,430	11,790
	1984	7,090	7,260	7,420	7,580	7,790	7,990	8,190	8,390	8,620	8,850	9,090	9,350	9,610	9,910	10,220	10,510	10,850	11,170	11,550	11,940	12,340	12,740
	1985	7,660	7,840	8,010	8,190	8,410	8,630	8,840	9,060	9,310	9,560	9,810	10,100	10,380	10,710	11,030	11,350	11,720	12,070	12,470	12,900	13,330	13,760
	1986	8,270	8,460	8,650	8,840	9,090	9,320	9,550	9,780	10,050	10,320	10,600	10,910	11,210	11,560	11,920	12,260	12,650	13,030	13,470	13,930	14,390	14,860
D-2																							
IV	1982	6,490	6,640	6,790	6,940	7,130	7,320	7,500	7,690	7,900	8,120	8,340	8,580	8,830	9,110	9,380	9,660	9,970	10,280	10,620	10,990	11,360	11,730
	1983	7,010	7,170	7,330	7,500	7,700	7,910	8,100	8,310	8,530	8,770	9,010	9,270	9,540	9,840	10,130	10,430	10,770	11,100	11,470	11,870	12,270	12,670
	1984	7,570	7,740	7,920	8,090	8,320	8,540	8,750	8,970	9,210	9,470	9,730	10,010	10,300	10,630	10,940	11,270	11,630	11,990	12,390	12,820	13,250	13,680
	1985	8,180	8,360	8,550	8,740	8,980	9,220	9,450	9,690	9,950	10,230	10,510	10,810	11,120	11,480	11,820	12,170	12,560	12,950	13,380	13,840	14,310	14,780
	1986	8,830	9,030	9,240	9,440	9,700	9,960	10,200	10,460	10,750	11,050	11,350	11,670	12,010	12,390	12,760	13,140	13,560	13,990	14,450	14,950	15,460	15,960