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BY THE COMPTROLLER GENERAL

Report To The Congress

OF THE UNITED STATES

~~SECRET~~

U.S. Development Assistance To The Sahel--Progress And Problems

The United States has increased its assistance and upgraded its missions in the drought-stricken and impoverished countries of Central and West Africa--the Sahel.

Progress has been made but AID should

- guard against the commitment of too much financial help too soon, considering the factors inhibiting effective use of assistance;
- improve its design performance and emphasize project implementation; and
- make more effective use of provided food assistance.

Both AID and Peace Corps need to work more closely to improve their respective programs.

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 AGC 00 350 ACTION
 CNG 00 815 UN
 AGC 000 32 State



C04316



108897

ID-79-9
MARCH 29, 1979





COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-159652

To the President of the Senate and the
Speaker of the House of Representatives

This report discusses the problems encountered by the Agency for International Development and ACTION in planning, organizing, and implementing development activities in eight countries of Central and West Africa. It is one of a series of GAO reports discussing the management of programs for emergency drought relief and for long-term development.

Copies of this report are being sent to the Director, Office of Management and Budget, the Administrator of the Agency for International Development, and the Director of ACTION.

A handwritten signature in cursive script, reading "Thomas A. Steeds".

Comptroller General
of the United States



COMPTROLLER GENERAL'S
REPORT TO THE CONGRESS

U.S. DEVELOPMENT ASSISTANCE
TO THE SAHEL--PROGRESS AND
PROBLEMS

D I G E S T

The Agency for International Development (AID) is participating in a long-term effort to help the peoples of eight Central and West African countries--an area called the Sahel--protect themselves from the vagaries of nature by assisting them in achieving some measure of economic and social development.

Overall programing is being promoted by the Club du Sahel--an organization of the Sahel countries--the donor community, and major international development institutions. Since 1974, AID has provided \$374 million of which \$135 million was for food assistance. Other donors have committed \$3.3 billion.

Development needs of the Sahel nations are many. The environment in which AID and other development organizations must function is difficult. These countries, for the most part, are in the early stages of development. Factors limiting their development include: poor resource endowment; expensive and poor transportation systems; high illiteracy rates; few educational institutions; inadequately trained and generally unskilled populations; and insufficient revenue.

A recent GAO report, "The Sahel Development Program--Progress and Constraints," (ID-78-18, Mar. 29, 1978), discussed the progress made by the Club du Sahel in building an overall development strategy and outlined recommendations to assist AID in improving the overall Sahel development program and U.S. participation in it.

Principal issues were discussed. One issue was the magnitude of the constraints which adversely affected the ability of Sahel countries to effectively absorb external

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development assistance. Another issue concerned usefulness of the Club and the Permanent Interstate Committee for Drought Control in the Sahel--hereafter referred to as CILSS--as tools for coordinating the overall development effort in the Sahel.

Effective coordination of the total development efforts of the external donors and recipient governments is essential to the achievement of program goals. The Club/CILSS process, if used effectively, can bring improved development.

As to the Sahel's capacity to absorb such assistance, this is a matter of continuing concern and is one principal reason why AID is having problems in implementing its development projects in the Sahel. GAO continues to urge caution in delivering large amounts of external assistance unless appropriate steps are taken to safeguard against the wasteful effects of undertaking projects which countries are unable to effectively use.

This report also discusses the evolution of the U.S. program to the Sahel and the problems AID and Peace Corps face in making their respective programs more effective and efficient. Generally, the U.S. program has moved from a famine-relief operation in 1974 to long-term development currently being implemented. Intermediate phases included a relief and rehabilitation operation and a series of projects aimed at immediate but short-term development.

AID expanded the size of its field mission, increasing the overall workforce from 46 in 1974 to 191 in 1978. It has also designated five of the eight posts as full-fledged U.S. missions. Yet, program and organizational problems remain.

AID lacks a current regional development strategy identifying what it wants to accomplish in the Sahel and outlining clearly how to achieve its objectives. A better working arrangement between the

Sahel development planning team, responsible for overall regional issues, and those field missions responsible for country activities, is also necessary. Further changes are suggested. (See p. 22.)

The AID delivery rate is slow and improvements in project management are needed. Expenditures in fiscal year 1978 amounted to \$37.9 million--less than 47 percent of the amount appropriated that year. At current rates, the backlog of project funds managed by field missions will increase from \$115.5 million in 1978 to over \$155 million in 1979. Some reasons for this slow pace include the general harsh development environment in this region and the inability of the Sahel Governments to adequately support project implementation.

The AID design system also requires substantial improvement. Designs are complex and time-consuming to prepare. In some cases, AID has spent 2 to 4 years in project design. The Agency needs to speed up the design process and simplify its project proposals.

U.S. food assistance should play a more significant role in helping the Sahel nations achieve food self-sufficiency. Food assistance, amounting to \$135 million since 1974, has been mostly for emergencies, programed on a year-to-year basis and aimed at filling annual food shortages. AID needs to make a greater effort to link food assistance to the long-term development of the Sahel to achieve dual humanitarian and development objectives.

AID and Peace Corps officials believe that increased cooperation between their programs could improve operational effectiveness of both agencies in the Sahel. Changes in management and programming procedures, such as better communication of project planning and programming data, sharper identification of the types of development conducive to joint implementation, and improved motivation of field personnel to work together

more closely, could result in a higher level of program collaboration.

In general, AID and ACTION officials understand and recognize the problems. They have begun to improve planning, identification, and implementation of collaborative development. As to the other issues discussed in this report, the Administrator of AID should

- emphasize the implementation phase of development assistance,
- establish procedures to shorten the design and approval process and provide for more timely initiation of development projects,
- give special consideration to the methods for managing regional development projects and defining the relationships between regional management systems and bilateral country missions, and
- use food assistance allocated to the Sahel countries more effectively.

The contents of this report were discussed with appropriate AID and ACTION officials and their views are recognized in appropriate sections of the report.

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ABBREVIATIONS

AID

Agency for International Development

CARE

Cooperation for American Relief Everywhere

CFA

Franc Communauté Financière Africaine

CILSS

Permanent Interstate Committee for Drought
in the Sahel (Comité Inter-Etats pour la
lutte contre la Sécheresse dans le Sahel)

CRS

Catholic Relief Services

GAO

General Accounting Office

OMVS

Senegal River Basin Development Organization
(Organisation pour la Mise en Valeur du
Fleuve Sénégal)

SDP

Sahel Development Program

U.N.

United Nations

*Action
State*



CHAPTER 1

INTRODUCTION

Over a 6-year period ended 1973, a devastating drought struck the region of Central and West Africa bordering the Sahara Desert from Chad, westward some 2,600 miles, to the Atlantic Ocean. That region, including Senegal, Mauritania, Mali, Upper Volta, Niger, Chad, Gambia, and Cape Verde, is generally referred to as the Sahel.

Historically, and even as recently as 1978, the Sahel has had arid pockets of land exposed to very low rainfall, resulting annually in low food crop production. The Sahel population is engaged in subsistence farming, and the national economies depend on single crop productions for most Sahel foreign exchange earnings. Factors preventing economic development in that area of Africa include few natural resources, lack of trained and skilled people, poor transportation systems, poor education and health systems, and the constant threat of low rainfall.

The great drought of 1968-73 had such an effect on the economics and human lives in Central and West Africa that the developed world became concerned about the plight of the Sahel people, and a large international drought relief effort was initiated. Since the great drought, the international community has committed over \$3.7 billion in assistance to the Sahel--\$754.9 million in 1974; \$763.3 million in 1975; \$1,106.8 million in 1976; and \$1,049.9 million in 1977. ^{1/} In addition, over \$1.16 billion in development assistance to the Sahel is projected in 1978 and in 1979.

U.S. assistance to the Sahel during and immediately following the great drought was primarily emergency food assistance under Public Law 480, Title II. By 1974, the United States was the largest food donor to the Sahel. In 1974, the Agency for International Development (AID) also began many small recovery and rehabilitation projects and accelerated impact projects in the Sahel. These projects were funded principally under section 639(A) of the Foreign Assistance Act of 1973 and the Disaster Assistance Act of 1974. U.S. assistance to the Sahel presently centers on the evolving long-term, multi-donor, multi-recipient development program being fostered by the international

^{1/}GAO report ID-78-18, March 29, 1978 (pp. 6-7) and AID's Annual Report to the Congress, February 1978.

community, including the U.S. Government and Governments of the eight Sahel countries.

PERMANENT INTERSTATE COMMITTEE FOR
DROUGHT CONTROL (CILSS) 1/

The effects of the drought alerted the Governments of the Sahel countries that a united effort was needed to counteract the drought's impact. Thus, in September 1973, Chad, Mali, Mauritania, Niger, Senegal, and Upper Volta formed the CILSS. The Gambia and Cape Verde Islands joined later. The Committee was founded to rally donor support for national and regional development needs in the Sahel.

CILSS has since become the major African group for coordinating and planning the use of external aid throughout the Sahel. With headquarters in Ouagadougou, Upper Volta, CILSS has provided a framework for organizing the development views of the eight Sahel countries. It has also sponsored, along with the Club du Sahel, the work of many international development planning teams, or working groups. CILSS will continue to be involved in directing and coordinating the refinement and development of the long-term planning efforts.

The CILSS role will become even more important as the eight Sahel Governments establish national committees to serve as direct links with CILSS. Of the eight Governments, however, only three have currently formed such committees.

CLUB DU SAHEL

The Club du Sahel was formed in December 1975, so participating donor and Sahel countries and organizations can jointly plan and coordinate the overall development of the Sahel. The Club is open to governments and development organizations interested in collective and sustained economic development of the Sahel countries. As of January 1978, 28 countries and organizations were active participants.

The process guiding Club work in the Sahel is not formally prescribed, however, AID says the process includes:

- " --Continuous planning and evaluation so that new information based on research findings and actual field experience can be factored into emerging plans.

1/The French title is "Comite Inter-Etats pour la lutte contre la Secheresse dans le Sahel."

--Open and frank dialogue between and among Sahelians and donors 'which' engenders understanding and recognition of special priorities of others."

Most importantly, the Club, with its various working groups, commissions, and member countries is intended to provide a forum where Sahel and donor countries can meet to (1) marshal resources necessary to address major development constraints, (2) identify and analyze common problems, (3) agree on long-term development strategies and priorities, and (4) coordinate action plans and individual projects. The Club meets periodically to ratify the products of Club/CILSS working teams and to discuss mutual problems and ideas. The last formal meeting was held in November 1978 in Amsterdam.

SAHEL DEVELOPMENT PROGRAM (SDP)

SDP is the evolving process through which CILSS and the Club intends to achieve food self-sufficiency and improve economic and social conditions in the Sahel. SDP is the product of Club/CILSS planning efforts and does not include the total development effort now underway or to be programmed in the Sahel. But generally those development efforts, which are within the broad criteria established by the Club/CILSS working groups in crop productions, livestock, fisheries, ecology and forestry, human resources, and transportation, can be considered SDP.

Proposals for the first generation of projects and programs, costing about \$3.3 billion, were endorsed at the Club's 1977 Ottawa meeting as a useful itemization of Sahel development needs through 1981. It was recognized that the proposed projects had to be further analyzed and refined before they could be considered as the proper application of Club/CILSS strategy to carry out SDP.

Various Club/CILSS working teams are attempting the resolution of such problems as the impact of marketing and pricing, storage, and population on development in the Sahel.

Since the mid-1970s, AID bilateral programs in the Sahel have supported food, livestock production, marketing, and health and human resources objectives. These sectors are integral components of the Club/CILSS development process. Therefore, AID policy continues to call for the United States to actively support the Club/CILSS programming process and participate in the establishment of long-range strategies for developing and improving the life of the people in the Sahel.

AID has provided assistance valued at \$374 million to the eight Sahel countries since 1974. The Congress appropriated \$75 million for Sahel development in fiscal year 1979, and AID is requesting a \$105 million appropriation for fiscal year 1980. The Club/CILSS, in its calculations of overall development assistance to the Sahel, considers the entire AID effort to be part of the Sahel development program.

Until recently AID missions in the Sahel were small. In June 1974, direct-hire personnel in the eight Sahel countries consisted of 25 Americans and 21 foreign nationals. By November 30, 1977, those members numbered 87 Americans and 71 foreign nationals. By March 30, 1978, those numbers had again increased to 96 Americans and 95 foreign nationals, representing an increase from 1974 to 1978 of 145.

SCOPE OF REVIEW

We reviewed the legislation pertinent to U.S. assistance to the Sahel countries of Central and West Africa. We also held discussions with AID and Peace Corps officials and analyzed data from both agencies.

During May and June 1978, we visited AID missions in Senegal, Mauritania, and Niger. We reviewed pertinent data on 24 selected development projects--10 of which were examined in depth--and talked with appropriate U.S. and host-country officials, as well as those of international and regional organizations. We also visited and obtained data from the AID West African Regional Economic Development Services Office in Abidjan, Ivory Coast.

Our work was directed primarily toward (1) a review of selected AID project planning, development, and implementation, (2) identifying constraints to delivery of assistance, (3) analyzing AID and Peace Corps efforts to improve program coordination, and (4) examining AID use of Public Law 480 as a development resource.

Our last report on the Sahel outlined the progress and constraints of the international community in helping eight Sahel countries achieve food self-sufficiency and economic growth. This report focuses more specifically on AID efforts to deliver assistance to the Sahel people.

CHAPTER 2

PROJECT MANAGEMENT IN THE SAHEL

The magnitude of AID project managers' tasks is enormous. They are to manage the transfer of technical assistance--new knowledge and technology--to the Sahel people. Yet many Sahel people are poorly educated and are oriented to tribal customs not all AID development programers fully understand. They live in harsh environments endemic to crippling and even killing diseases, having little or no means of outside communication. Achieving significant program objectives quickly is extremely difficult when these environmental problems are coupled with such other project implementation difficulties as the (1) Sahel Governments' inability to adequately support project goals, (2) slow arrival of equipment, supplies, and technical expertise, and (3) ineffective use of the AID project evaluation system.

SLOW PROJECT DELIVERY

One indicator of delivered assistance is the rate at which project funds are used. AID has obligated \$188 million through fiscal year 1978, for development activities in the Sahel. Yet, project expenditures lag behind obligation rates and the Agency is increasing the size of its unliquidated obligation balances. In fiscal year 1978, for example, the Agency spent only 47 percent of the \$80.7 million obligated for project requirements. Added to the amount of unspent funds reserved from prior years--unliquidated obligations as of September 30, 1977--this resulted in an unobligated balance of \$115.5 million as of the end of fiscal year 1978--an increase of 59 percent over the prior year's balance.

Following is a summary of the financial status of AID activities in the eight Sahel countries in fiscal year 1978.

AID Activities
FY 1978

Unliquidated obligations as of September 30, 1977		\$ 72,789,000
Less: FY 1978 transactions		
Obligations	80,743,000	
Disbursements	<u>37,982,000</u>	
Increase in unliquidated obligations in FY 1978		<u>42,761,000</u>
Unliquidated obligations as of September 30, 1978		<u>\$115,550,000</u>

As shown above, the pipeline--committed but undisbursed funds--at the end of fiscal year 1978 was greater than the \$75 million the Agency anticipates committing in fiscal year 1979. At the 47 percent disbursement rate experienced in 1978, over \$155 million will be in the Sahel pipeline at the end of fiscal year 1979.

Several AID missions in the Sahel recognize that more concentration on project implementation should be given. In its May 1978 strategy statement, one mission shows that having focused its effort during the prior 3-year period on country program planning and project design, during the next 3 to 5 years it plans to concentrate on the successful implementation and expansion of those projects now underway or scheduled for fiscal years 1979 and 1980. Under this concept new activities will relate mainly to extensions or elaborations of existing projects. This, however, does not imply that planning and design would diminish but that project implementation, including monitoring and evaluation, would be emphasized.

We believe that this is a realistic attitude and should be a prime consideration in AID development strategy in the other Sahel countries. Some key AID officials have concurred that project implementation should be emphasized more in the future.

Despite the apparent slow development pace in the Sahel, however, some AID missions are still proposing rapid program expansion. For instance, one mission proposed that in 1984 the U.S. program investments should be nearly 2-1/2 times larger than in 1979; another, almost 6 times larger; and a third, 7 times the 1979 planned program. A fourth mission

indicates its program investment will peak in 1981 and then decrease slightly through 1983. Using estimated fund availability as a governing factor, that mission outlines alternative funding levels for proposed programming in 1983 to be (1) 50 percent more than 1979 programming, (2) about twice 1979 programming, and (3) 2-1/2 times 1979 programming. In summary, of the eight AID missions, six proposed that U.S. dollar commitments in the Sahel be increased about 235 percent over the next 4 years.

AID/Washington, however, scaled down the size of the field requests for fiscal year 1980 and limited its proposed 1980 Sahel program to \$105 million--and only 15 new project activities. Eighty-seven percent, or \$91.7 million, of its fiscal year 1980 funding request is to support ongoing project activities.

The following sections summarize some problems affecting the delivery of assistance to the Sahel people and cite a few project cases depicting the problems.

RECIPIENT GOVERNMENTS DO NOT SUPPORT PROJECTS

Joint signature of Sahel and U.S. Government representatives on grant agreements signifies that, through mutual terms, the United States will provide technical assistance to Sahel. Grantees and grantors are specifically to contribute to projects. Recipient governments, however, do not provide adequate project support. Often we traced long delays in project implementation to this problem.

Sahel Governments are not financially able to mount and sustain the full activities required for long-term rural and urban development. Manpower limitations have prevented rapid development in the Sahel. These are a couple of reasons why recipient governments (1) may not promptly fulfill conditions precedent and requirements set forth in AID grant agreements and (2) sometimes appear to be unsupportive of proposed technical assistance endeavors even after mutually agreed upon documents--grant agreements--have been signed.

Following are summaries of actual project cases in selected Sahel countries which depict some overall local project support problems.

--For one project agreed in February 1975, the participating government did not provide a project director until spring 1977. Assistants to the director have been hired since April 1978.

In the original project agreement, AID budgeted \$75,000 for training funds. Subsequently, that country concluded that their technicians did not need long-term academic training. The budgeted training funds were cut to \$28,000 and as of June 1978 only the local national project director--then in training in the United States--had already received training in the United States. The AID mission advised us that two local technicians had been trained between June and November 1978, and further stated that another local national would be trained in early 1979.

--Five months were required for a participating government to establish a procedure whereby the national counterpart to the U.S. project director had authority to approve project funds disbursements for local purchases. Previously, acquisitions of project commodities were delayed while requisitions were processed in the participating government's ministry of finance. Key ministry officials were often away and had not delegated their authority to others.

--A year was required to open a bank account in one country so Peace Corps volunteers working on an AID project could use project funds. In addition, that country's government was to have furnished responsible counterparts to the volunteers for doing fieldwork. For more than a year, however, such counterpart workers have not been provided. The project agreement was signed in September 1975 and the project was originally programmed to end in September 1978. On October 31, 1978, the mission director said that government personnel were then assigned to all positions having counterpart relationships.

--As of June 1978, another participating government had not provided technicians to work as counterparts to U.S.-contracted technicians to gain the experience for research on improving the varieties of millet seeds that country uses. The U.S. experts had been aboard since September 1976 and their contract was scheduled to expire in September 1978. One of their tasks was to train local technicians to continue the program after external assistance ceases. Yet they had no local technicians to train. Many local

nationals had been selected for training and were receiving academic training abroad. They had not, however, acquired needed work experience.

--On another project, the agreement was signed in September 1977. In December 1977 the project became active when the government appointed a project director. As late as June 1978, the two remaining U.S. Peace Corps volunteers, after arriving in October 1977 to work on this project, were not being fully utilized. Neither the consultant they were to assist nor equipment they were to use, had arrived.

In the Sahel countries we were continually told that because local resources are so scarce, the host governments have difficulty placing adequate attention on all external assistance efforts and in administering their own internal activities. This recipient-country problem, in turn, places a heavier management load on AID missions and contributes to delivery delays of U.S. technology to the Sahel people.

U.S. EXPERTS, EQUIPMENT, AND SUPPLIES ARRIVE SLOWLY

AID project managers in the Sahel are invariably faced with slow deliveries of needed U.S. experts, equipment, and supplies to the project sites.

Some of the more frequent occurrences are long-term lapses while

- AID missions and recipient governments are determining quantity, types, and specifications of needed equipment;
- U.S. experts are being recruited and prepared for the projects;
- invitations are let for suppliers to bid on equipment and supply orders;
- suppliers or manufacturers are filling orders, arranging for shipments, placing orders on U.S. flag vessels destined for West African ports;
- ships are making scheduled stops at other ports before reaching the destination port to which the order is addressed;

--ships are waiting for offloading at such ports as Dakar, Senegal; Abidjan, Ivory Coast; Lome, Togo; Contonou, Benin, Lagos, Nigeria; and Douala, Cameroon; and

--arrangements for inland transportation are made and the land shipments are sent.

Following are some cases in which all, or part, of these problems occurred.

1. In September 1977, a project agreement for range and livestock management in one Sahel country was signed. A major component of this project required that a range management consultant design scientific studies. A March 20, 1978, project implementation order stipulated that the consultant was initially needed in June 1978 and requested that a qualified person be recruited. Five months later AID hired a short-term rural sociologist to fill this requirement.
2. In January 1978, the AID Auditor General reported that with only 6 months remaining of a range and livestock project in one Sahel country, only 10 percent of the project funds were disbursed. Difficulties obtaining resident project advisors were reported as a serious cause of the delay. The AID project manager was first assigned to the project permanently in November 1977--33 months after the project agreement was signed.
3. The AID Auditor General also reported that technician recruitment is also a problem in the Sahel. For instance, for one project the needed technicians did not begin arriving until 12 months after the project was approved. Seven months later only four of the five required technicians were onboard. In another project, the first technician arrived 15 months after the project was approved. In June 1978, we learned that commodities for the project arrived in November 1977--22 months after the project was approved.
4. One year after a cereals-production project was approved, 40 trucks and utility vehicles

were ordered. The order contained a 180-day delivery provision. The vehicles were received 10 months (300 days) later, or 22 months after the project was approved--14 months before the project was originally scheduled to end. In addition, in July 1977, the AID mission submitted an order for U.S. tractors. The order was resubmitted in September 1977 because of price increases. The procurement agency did not place the order, however, until February 1978. On June 30, 1978--33 months after the cereals-production project was originally signed--the tractors were offloaded at Lome, Togo and were enroute to the participating country. They arrived in August and September 1978.

5. In another country, 6 months after the range and livestock management project was approved in September 1977, a procurement agency was authorized to act for the government in the procurement of U.S. sources/origin commodities. In April 1978, various commodities including 23 vehicles, were ordered stipulating that "earliest possible delivery is requested but required in country not later than June 30, 1978." AID advised us in November 1978 that because the 1978 International Harvester models were out-of-stock, the terminal disbursement date was extended from September 30, 1978 to December 31, 1978.

Technicians are essential to convey U.S. technology to the Sahel people. Equipment, particularly vehicles to carry technicians over rough terrain, is required before most projects can begin. Even short delays in delivery of U.S. experts and/or commodities to Sahel countries will, therefore, negatively affect AID assistance.

U.S. RESOURCES USED BETTER THROUGH EFFECTIVE PROJECT EVALUATION

The AID project management system calls for periodic project evaluation. Usually, annual or midpoint evaluations are planned. Of the eight AID projects we reviewed which should have been subjected to the AID evaluation system, only three were evaluated. In some cases, AID mission officials rationalized that the phase I evaluation would be considered in designing phase II.

AID officials in the Sahel recognize the need for more effective evaluation of project implementation. At the Bamako workshop for mission directors in April 1978, it was recognized that the AID evaluation system is not being used effectively. The evaluation schedules sent to Washington with annual budget submissions are seldom followed. The mission directors concurred that a properly designed and implemented evaluation system is necessary for effective management of development projects.

We are aware that of the 24 projects we reviewed, 16 were in the very early stages of implementation, and systematized evaluations were not yet due. However, based on the slow start in evaluating other projects, we believe that it is appropriate to point out that AID should use its evaluation procedures more effectively and assure that sound, objective, and timely evaluations of ongoing projects are incorporated into its management plan.

AGENCY COMMENTS

We discussed the principal issues reported in this chapter with appropriate AID officials. These include (1) the absorptive capacity of the Sahel nations and their constraints to development progress, (2) the level of assistance planned and in the pipeline, and (3) the need for more effective project evaluations.

AID believes that the discussion concerning the limitations of AID in delivering assistance, and the constraints in the Sahel environment in using that assistance effectively, leads to an inference that perhaps they are trying to do too much and that the problems encountered are unique to the Sahel. According to AID, the Sahel is certainly different, but the difficulties are endemic to underdeveloped areas of the world generally and particularly where development efforts are new. They note that SDP is only in its second year and that they are now facing some of the same problems in the Sahel as have confronted AID historically.

AID further believes that the levels of assistance which they have approved internally have been scaled down to what they think are reasonable for that area of the world. These levels, as reflected in their fiscal year 1980 congressional presentation, are considerably below what was proposed by their field offices.

AID also believes that the unexpended SDP funds at the close of fiscal year 1978 were not excessively large and that their expenditure rates thus far have been good. AID

believes the pipeline is reasonable, considering that the program is only in its second year with new projects having absorbed most of the financial obligations in this early period.

In meeting the development constraints, AID officials consider that they need to provide resources to support the kind of institutional and other factors that help overcome the constraints of the Sahel absorptive capacity. They believe there is a need to deal with these constraints directly and not to back off from providing assistance because of their existence.

Finally, AID officials concurred in the importance of evaluation in improving the effectiveness of assistance to the Sahel and elsewhere and informed us that they recently established a special evaluation unit in the Africa AID Bureau to invigorate their efforts in the entire continent. That effort is just now getting underway.

We agree with the need to target assistance to deal directly with the institutional constraints to development. We also concur that the recent action taken to improve the evaluation process is useful, desirable, and needed.

We do not concur in the Agency view that their pipeline is not excessively large and that the levels of proposed assistance are reasonable for that area of the world.

As pointed out in our pipeline analysis, the quantitative size of the unliquidated obligations have grown from \$72.8 million in fiscal year 1977 to \$115.5 million in fiscal year 1978. Unless AID project implementation is improved, at the end of each fiscal year in which an additional dollar is appropriated, fifty cents will be added to the pipeline. We understand the AID view that SDP is relatively new and that U.S. missions in the Sahel are only now coming up to strength. We concur that, all other factors being equal, AID should be able to improve its project implementation performance in fiscal year 1979.

However, we still believe there are grounds to adopt a conservative approach to the introduction of more projects to the Sahel and higher levels of assistance.

The only sure measure of the appropriate level of assistance, which can be justified, is in the performance of AID managers in delivering project assistance and in the ability of recipient countries to effectively participate in the process. Although the Agency seems to be in a better position to

administer a larger program, it is by no means clear that the recipient countries are ready to be effective recipients of the assistance programed. We, therefore, continue to urge caution in establishing the assistance level for the Sahel.

CONCLUSIONS

The economies of the Sahel countries are among the most underdeveloped in the world. Until recently very little development has occurred in these countries.

Development in the Sahel depends greatly on limiting factors, many of which are difficult to resolve, such as

- capacities of the countries to absorb development projects given their limited supply of qualified people and the time required for training more of them,
- the countries' ability to amass the domestic resources required for investment and essential recurrent public expenditures,
- technical problems affecting the implementation of development activities, and
- the rate at which people are willing to allow development efforts.

AID has been motivated by the international community, as well as the U.S. Congress, and the undisputed need for economic and social development in the Sahel to increase the assistance levels for these countries. This motivation may have encouraged AID to design projects and obligate funds beyond the current Agency implementation capability. Funds for assistance to the Sahel are increasing and the delivery rate is slow. Yet some AID missions are projecting large-scale program increases.

The question of the absorptive capacity of the Sahel countries is fundamental to decisions on the nature of the U.S. assistance program. It is difficult to pinpoint country or regional absorptive capacities. Yet it is important to seriously weigh this condition in any decision concerning levels and types of assistance.

In our March 29, 1978, report to the Congress, 1/ we discussed several problems which had to be resolved to pursue a more effective development assistance program in the Sahel. One major conclusion was that the Sahel countries could not effectively absorb considerable amounts of external development assistance. The factors noted in the report--limited financial resources, limited trained personnel, inadequate infrastructure--had to be adequately addressed to achieve effective development results. We also cautioned that AID should be conservative about committing large sums of funds unless they were confident that the financed projects could be effectively used by recipient countries.

In that report we recommended that the Administrator, AID insure that each of its assistance projects in the Sahel consider the absorptive constraints.

Although this review did not include a comprehensive followup of the steps taken to insure that recipient countries are able to absorb the provided assistance, we have already seen examples where the assistance provided has not been used effectively. In one country AID financed a \$1 million engineering study which, in the final analysis, the country did not want. On another project it was clear that the project would continue only as long as the United States paid the salaries of the local nationals involved in the project.

We have also seen that AID is having problems in delivering its assistance in accordance with the timetables set forth in project plans. The slow arrival of U.S.-financed experts, equipment, and supplies negatively affects development. In addition, inadequate management of implementation planning, contracting for supplies and equipment, recruiting technical specialists, and monitoring and evaluating projects, has contributed to the slow development pace.

RECOMMENDATIONS

Accordingly, we repeat our recommendation that the Administrator, AID, in arriving at judgments of the overall level of assistance to be provided to the Sahel nations, carefully consider the ability of each country and region to absorb assistance.

1/Comptroller General's Report to the Congress, "The Sahel Development Program--Progress and Constraints," ID-78-18, March 29, 1978.

To improve management of the Sahel development projects, we further recommend that the Administrator, AID require that its Africa Bureau and the U.S. missions in the Sahel place increased emphasis on the implementation phase of the project assistance cycle. Significant management improvements can be achieved by insuring that more management attention is given to (1) implementation planning, (2) contracting for supplies and equipment, (3) recruiting technical specialists, and (4) emphasizing monitoring and evaluation of projects.

CHAPTER 3

PROGRAM AND ORGANIZATIONAL PROBLEMS

The Agency policy for administering its development program in the Sahel is to actively support the goals of the Club du Sahel and to participate with its members in a coordinated and collaborative long-term development effort to help the region achieve food self-sufficiency and increased economic and social progress. Under that policy the Agency is attempting to plan, program, and implement its specific development projects to compliment and support Club development objectives and priorities.

In the past several years, the Agency has made progress in upgrading its development program in the Sahel and in improving its organizational structure for planning and managing its development effort. However, there are several planning and organizational issues which, when resolved, could improve Agency effectiveness. For example, the Agency needs to

- complete its own overall regional development strategy to clearly outline what it wants to do and how it intends to do it,
- implement decisions to improve its evolving organizational structure for managing its Sahel program,
- consider the most appropriate organizational form for managing regional projects, and
- more fully integrate its program with the overall Club/CILSS strategy.

The Agency generally recognizes the problems, but in our view, it needs to place more emphasis on their resolution. A discussion of these issues follows.

LACK OF CURRENT DEVELOPMENT STRATEGY

The Agency has no current regional development strategy which recognizes what it wants to accomplish in the Sahel and outlines clearly how it expects to achieve its objectives. As of May 1978 the Agency field missions prepared a series of proposed country development strategy statements, which attempt to analyze the development opportunities and constraints in each Sahel country. Recommendations for Agency

participation in the development process are also included in the report. Taken together, however, these strategies do not represent a regional development strategy because an organized approach for assessing and meeting the overall regional needs is not included. Some essential ingredients lacking include (1) an identification of the regional problems which need to be addressed and (2) a more precise outline of the methods used by field missions to more fully integrate development approaches and objectives with those of the overall Club-sponsored SDP.

The most recent Agency regional strategy statement was presented in its 1976-80 development assistance program for the Central-West Africa region. This analysis was used in further planning, project identification, and design, and presented a basic approach toward U.S. economic assistance. It outlined the economic and geographical characteristics of the region and presented a macroeconomic justification for drought and economic assistance. The 1976-80 analysis also contained bilateral program conclusions and project recommendations for 13 countries.

Since November 1975, much has happened to render the program inoperable. For example:

- The Agency is concentrating on the 8 Sahel countries rather than the 13 countries mentioned in the development assistance program.
- The Club du Sahel has become increasingly involved in the broad planning and coordination of development assistance to the Sahel.
- The mandate of the CILSS was expanded to guide and coordinate planning for the comprehensive long-term development of the Sahel.
- Agency country mission staffs were expanded and given greater autonomy and responsibility.
- The Agency established a Sahel development planning team to participate with members of the Club du Sahel in preparing a coordinated long-term development program for the region.

The basic purpose of the above changes is to increase development assistance to the Sahel and to establish a

coordinated approach to its development. Yet a specific strategy outlining how this will be accomplished, including how Club members will achieve the broad development goals and how the U.S. program will complement the efforts of other Club members, is not presented.

The Agency understands the need for its own coordinated regional development strategy to guide its Sahel development efforts and has attempted to develop such a strategy. At the time of our review, however, its strategy analysis was not planned for completion until sometime in calendar year 1979.

CLUB PROGRESS

The Club objectives are to develop a mutually agreed upon plan of action for promoting development in the Sahel, including the establishment of priorities, a program implementation timeframe, and delineation of program responsibilities.

In June 1977 the Club agreed on an overall development strategy and program for the Sahel. The strategy is a broad analysis of the development needs of the region and contains a list of development projects which the Sahel countries would like to have financed.

Because it has been less than 2 years since the initial Club du Sahel development plan was adopted, it may be premature to judge its performance thus far. Yet a substantial investment has been made in overall regional planning and coordination, and there is much interest on its overall performance.

Club du Sahel representatives feel that it has made significant progress and has even more substantial potential. The progress of the Club du Sahel was discussed at a plenary meeting of participating nations and organizations in November 1978 in Amsterdam, The Netherlands. Accomplishments reported included the (1) increase in annual donor assistance from \$750 million in 1974 and 1975 to over \$1 billion annually for 1976 and 1977, (2) the increased participation by nontraditional donors in the Sahel development process, (3) sponsoring numerous multidonor conferences to review complicated development proposals, such as human resource development, livestock and crop protection, and (4) the usefulness of the Club process to discuss complex and sensitive issues.

Many issues, however, were still unresolved. For example:

- Dissatisfaction was still expressed over the shopping-list nature of the first generation projects and the need to prune the list.
- Significant questions, such as the need for a cereals-pricing and marketing policy were still being reviewed and analyzed.
- National CILSS committees, an essential element of the program strategy, were still not fully functioning.

Because of the limited scope of this review, we cannot fully assess the progress and accomplishments of the Club/CILSS. The consensus expressed at the Amsterdam meeting, however, was that the Club/CILSS process has been vital in mobilizing resources for the Sahel and in improving the dialogue on critical problems. The desirability of continuing international cooperation within the framework of the Club/CILSS was also endorsed.

We agree that a mechanism to coordinate the overall efforts of the many donors and countries involved in Sahel development activities is essential to an effective development program. The Club/CILSS process seems ideally suited to systematically plan and guide the overall development effort. Accordingly, we agree that the Club/CILSS formula has significant potential, but we would reserve any evaluation of how well this potential is realized until a more definitive examination of Club/CILSS accomplishment is made.

WASHINGTON/FIELD PROGRAM RESPONSIBILITIES

For the past several years the Agency has had a fragmented organizational responsibility for planning its Sahel development effort. A Sahel development planning team, operating at headquarters level, was centrally planning and identifying regional development of country programs and for incorporating their development proposals into the results of regional planning efforts carried out by the planning team. Because of coordination and communication problems between Washington and the field missions, Agency development projects do not fully reflect the overall planning and coordination work of the Washington-based planning team.

In our March 29, 1978, report we noted Agency attempts to coordinate its 1979 program with the Club development strategy. It appeared to us that the Agency program was

generally consistent with broad Club strategies, but there were very few projects directly related to specific Club projects. Agency programming officials at that time were constrained by the newness of the Club plan, a lack of detailed information about specific Club development proposals, and the basic fact that the Sahel development programming process had not produced a full range of project proposals useful to Agency planners.

Our review of the proposed 1980 program indicates that very few new projects are of a multidonor, multirecipient nature. In addition, the country development strategy statements drafted by the field missions reflect a concern over U.S. AID/Club/CILSS cooperation.

In its strategy statement one mission official said that it attempts, as much as possible, to cooperate and interact with Club/CILSS working groups, design teams, and consultants to share any geographical experiences with them. Yet there are still problems in the process, including (1) the concern of countries that they will not receive equitable shares of the development resources provided the Sahel region, (2) the potential infringement of national sovereignty of an organization like CILSS, (3) the desire of donors to deal directly with individual countries, and (4) the procedural difficulties which prevent effective donor cooperation. Because of these factors, officials of that mission did not envision the possibility of many joint development projects in that country.

In another country the U.S. missions reported that the usefulness of the Club/CILSS programming progress is open to question. The government of that country had not yet begun a dialogue with resident donor representatives within the framework of the Club/CILSS plan, nor did it have a fully operational national CILSS committee--one of the subgoals of the overall Club plan.

In a third country, the U.S. mission sees the Club/CILSS approach as a useful mechanism for considering development problems, although it considers the Club strategy too general. The U.S. mission also feels that the recipient government is skeptical about (1) the ability of donors to coordinate and (2) the concept of the application of regional approaches to national problems.

U.S. mission officials in a fourth country seem to view its participation in the Club/CILSS program as something for the future. They seem to feel that

"* * * as Club/CILSS strategy is further refined and regional/multidonor efforts elaborated, [they] will fully cooperate and the AID program will actively participate in planning and implementation of these programs." (Emphasis added.)

U.S. mission officials in a fifth country, on the other hand, believe that their proposed projects are mostly directly related to the CILSS first-generation projects and that, further, the potential areas for future intervention fall within the parameters of Club/CILSS concerns.

It is not clear why the field missions are having problems in developing projects which are fully responsive to the overall goal of working closely with the Club development program. Yet Agency mission directors find it difficult to relate to the broad sectorial goals outlined so far by the Club. These directors are more familiar with the specific issues, and priorities in the countries where they work. Also, they did not participate directly in the overall planning effort conducted by the Agency since 1976, therefore, they did not have a direct role in the development of SDP as it now stands.

REORGANIZATION PROPOSALS

The Agency is attempting to improve its ability to more effectively program and implement its contribution to Sahel development. It is in the process of forming a Sahel mission directors council to (1) coordinate with the Agency Sahel development planning team, (2) serve as a mechanism for exchanging information, and (3) transmit policy recommendations to the Agency. The Agency has also decided to locate its planning team in the field in 1979. The primary role of the planning team will be to serve as a technical planning staff to enforce Agency policy for development assistance in the Sahel.

The purpose of these moves is to place responsibility with the field missions for establishing development programs which are integrated, complimentary, and supportive of the overall Club program, and to enable the Council to establish effective working relationships among the field missions, the program team, and the Mission Directors Council. Full implementation of these decisions, however, will not occur until later in 1979.

MANAGEMENT OF REGIONAL PROJECTS

One management problem facing the Agency is how to manage regional development projects. The Agency currently

has several regional projects in the Sahel. Generally, it appoints regional project managers to guide project development. These managers must work with each U.S. mission in the recipient countries and with appropriate country representatives. With the further expansion of the Club/CILSS SDP, it is expected that many more regional projects will be introduced. Whether the Agency should consider alternative ways of managing regional efforts, such as establishing regional management systems, has been questioned.

The Agency has had problems devising the most useful organizational arrangement for some of its ongoing regional projects. For example, the Agency has been participating, since at least 1974, in projects related to the development of the Senegal River Basin, but the Agency has been unsure about the best organizational arrangement for managing its participation there. Over the years, it has opted for both centralized and decentralized organizational structures. As a result, projects have been programmed on a fragmented basis, and the program has suffered from uncertainty and indecision.

In 1975, in recognition of the regional nature of the programs envisioned under the Senegal River Basin Development Organization (OMVS) plan, a separate field office was established to work with OMVS. That Office was to play a major role in programming assistance to OMVS and to coordinate with the geographical field offices in Senegal, Mauritania, and Mali, regarding activities affecting those countries.

Several projects were proposed and begun under the auspices of the OMVS Coordinator. These included an environmental assessment project, an agronomic research program, and organization and management support.

Since its establishment, the AID/OMVS Coordinator activities have been steadily reduced due to the concern of three mission directors that a large regional program with OMVS, which included national projects, would result in some loss of control over their own programs and would cause confusion with national authorities over AID's split presence in those countries. In June 1977, the OMVS Coordinator proposed larger U.S. support to OMVS and a series of new and/or expanded projects. The Agency rejected this proposal. In addition, a decision was made to place the Agency OMVS program under the direction and control of the U.S. AID mission in Senegal.

Placing the OMVS program under AID mission control, in effect, downgraded the Agency effort to deal with development

in the Senegal River Basin on a regional basis and again raised the question of how the Agency should be organized to manage development projects in the Senegal River Basin.

Some development officials believe a more integrated approach to define and implement development activities in the Senegal River Basin is needed. For example, Senegal has much experience in irrigated agriculture systems, yet there is no systematic way to share this knowledge with its neighbor countries on the Senegal River--Mauritania and Mali. Accordingly, proposals are being made to increase the OMVS role in integrated development of the Senegal River Basin. The Agency is proposing a comprehensive systems development project to (1) analyze agriculture, transport, environmental and human resource development in the River Basin and (2) propose an integrated development approach.

CONCLUSIONS AND RECOMMENDATIONS

The complexion of the Agency development program in the Sahel has changed considerably. In 1973 AID had several small country development offices and two regional development offices. Its overall development strategy was generally aimed toward the wider 13-country region of Central and West Africa.

Since 1973, the focus of its effort in Central and West Africa has changed markedly. More concentration has been accorded to the eight Sahel nations, and the development effort in range, size, and complexity has been significantly expanded. Yet the Agency still has an outdated regional development strategy, and has not yet established an effective field organizational arrangement. In addition, the Agency has yet to resolve several other organizational issues to improve its administration of development efforts in the Sahel.

The Agency generally recognizes these needs and is working to resolve these shortcomings. It has begun drafting a new regional development strategy in January 1979, and its plan for reestablishing the planning team at the country level is scheduled for implementation in 1979.

Because these problems have been recognized and a framework has been established for their resolution, we are not making recommendations at this time. Because they are so important to the effective implementation of AID development in the Sahel, however, we believe that the Agency should

make certain that these issues are resolved within the planned timeframe.

In regard to the issues associated with the management of regional development projects, we believe that the turmoil from the repeated changes of the AID/OMVS office has had a negative effect on the quality of the AID development program for the Senegal River Basin. We also believe that the issues associated with the management of AID/OMVS projects could surface in current and future regional projects in the Sahel. Accordingly, AID officials, in determining Agency management structure for development efforts in the Sahel, needs to consider how regional projects will be managed.

Accordingly, we recommend that in finalizing its regional development strategy for the Sahel, the Administrator, AID should specifically consider the most appropriate organizational arrangement for (1) managing its regional development projects and (2) defining the relationship between regional management systems and bilateral country missions.

CHAPTER 4

NEED TO IMPROVE DESIGN PROCEDURES AND PERFORMANCE

The AID design system is critical to the success of U.S. development in the Sahel and requires enormous time and effort. The project proposals which result, however, are not necessarily either well-designed or easily implemented. The lengthy review process produces advocacy documents which are often too theoretical to be operationally useful. The present design process is complex, requiring between 2 and 4 years for each project. To increase its effectiveness, AID needs to (1) reform its design process, including its procedures for reviewing and approving projects and (2) improve the management of its design effort.

LENGTHY DESIGN TIME

Our indepth review of 10 projects in Senegal, Mauritania, and Niger showed that it took an average of 24 months to develop project proposals into approved project plans. An additional 2.5 months was required to finalize project agreements with host governments. For most projects in this group over 18 months was required to design, review, and approve them. Design times ranged from 15 months to 40 months.

Reasons noted for the generally lengthy time for project development and approval include

- complex review process,
- delays in organizing design teams,
- lack of continuity of personnel associated with the project during its long gestation stage, and
- inexperienced and/or unqualified personnel serving on design teams.

One of the most time-consuming projects to develop was the Niger range and livestock management project which required a 36-month period to design. Initially rejected in the fall of 1974 as too ambitious, AID nevertheless, approved the general concept of improving management of range resources in Niger. A new project identification document was submitted and approved in the summer of 1975, but the project review document, submitted later in 1975, was rejected because it was not specific. Four months

later the revised project review paper was approved--about 13 months later the project proposal was submitted. The project proposal was approved in July 1977 after further revisions, and the project agreement was signed 1 month later. The significant point here is that after 3 years of design work, AID approved a 3-year project of study and research to develop various approaches which would then be used in a followup phase II project.

Design of the Mauritania integrated rural development project required 40 months, beginning March 1974. Then the conditional approval of the June 1974 project review document led to a 20-month delay while a series of consultant studies were completed. After reviewing their report, AID fielded a project proposal design team in May and June 1976. Submitted to AID in August 1976 and redrafted that fall, the proposal was resubmitted in December 1976. The project proposal was further revised in May 1977 before it was finally approved in June 1977. Another 3 months elapsed before the project agreement was signed. In spite of 3-1/2 years of design work the project initiated was limited to a study to experiment with alternative rural development approaches. After 3-1/2 years no development assistance reached the rural poor on this project, and none is expected until the study is complete.

AID officials are aware that extended design periods are a problem. The delays decrease project enthusiasm and support of the AID mission staffs, host-country officials, and others.

THE DESIGN TEAM

Extensive manpower is required to prepare the detailed documentation. Field missions often have no onboard design capability, so they depend on outside assistance from other AID offices, consultants, and universities. The Africa Bureau relies extensively on design teams, which utilize AID personnel and private contractors. Simply assembling the teams takes several months. The Dakar mission, for example, requested a design team for the Senegal grain storage project in January 1976. Because of team commitments and AID contracting delays, the team arrived 8 months later.

Because a new team is usually recruited for each phase of the process, design consistency and efficiency are disrupted. Both the Niger range and livestock management project (32 months to project approval) and the Senegal Casamance rural development project (24 months to project approval) had two separate design teams. The Niger rural

health improvement project (24 months to project approval) had three teams--one for each phase of the design process. AID recognizes that continuity of design personnel can affect final project quality, but it fails to assure that needed continuity.

The AID/Washington staff usually sets a time limit on the design team, which sometimes prevents possible collaboration with mission staff and host-country officials, and decreases the potential for a workable design. Missions and host countries have vital contributions to make to the design process. Both know and understand the environment, recognize what is viable, and have greater incentives to make the project design workable. Unfortunately, team results are often questionable. According to some AID officials, the design teams are individuals who, in the best cases, have individual competence but are not always integrated together. The project manager for the Senegal rural health services said that project design was too theoretical and that it had to be translated into specific actions to assure successful project execution. Ironically, more time may be spent recruiting someone to work on a design team than is given the team to accomplish its work in-country.

When special studies or midterm reports are required, additional consultants are hired. Although consultant studies can provide more detailed analyses of specific issues or problems, these studies also require 3 to 5 months contracting lead time, exacerbate collaboration problems, and further disrupt design continuity.

Most projects we reviewed have involved a combination of design teams and consultant studies. For example, the Senegal Casamance rural development project required 9 specialists for the project review design team, studies by 10 specialists for the midterm report, and 8 specialists on the final project proposal team. The Niger cereals-production project had a 2-man project identification team, a 10-man project proposal team, 6 consultants to study and report on project components and sociological factors, and AID/Washington personnel to revise the project proposal before final approval at the end of 15 months.

REVIEWS AND STUDIES OF DESIGN PROCEDURES

Poor design performance and the general dissatisfaction with the AID project design and review process has been widely reviewed throughout the Agency in recent years. The widespread frustration of Africa Bureau field personnel over their design experience was aired at the April 1978 Agency headquarters and field staff meeting in Bamako, Mali.

At that meeting a consensus was expressed that Agency documentation and review processes involve excessive and unwarranted specificity and lead to wasteful practices. Participants felt that they could not provide the required detail. Expensive teams, therefore, had to do final and detailed designs for projects that ultimately must evolve and grow through experience.

Following the Bamako meeting, an attempt was made to develop a generally accepted consensus of the Sahel field missions on some of the design system problems and suggestions for improvement. Observations include:

- The project design and review process continues to frustrate field personnel.
- Inadequately prepared or unqualified design personnel, and a lack of consensus between AID and the field on the approach to solving development problems, caused design delays.
- There was a failure to allow adequate time for the design process and to provide for continuity of personnel.
- Project design officers were unavailable when needed.
- Some design experts were of questionable quality.
- Control over the design process was lost by relying exclusively on contracted consultant teams.

Suggestions offered to improve design performance included the following.

- Allow more time for the in-country segment of the design process and provide for more continuity of personnel associated with designing projects.
- Increase in-country design capability to gain more control over the design process.
- Improve the management of the design effort by insisting on well-planned design effort.

--Introduce long-term planning of the design effort and provide for the continuity of design personnel.

--Provide for greater involvement of AID/ Washington review committee members in the design process.

In 1977 the Agency operations appraisal staff noted that it often took from 2 to 4 years from project inception to approval and, as a result, those participating in the process were increasingly frustrated with the time and staff days required to implement projects.

An Agency consultant expressed similar views on the basis of a detailed analysis of the design and implementation of 12 projects. The consultant noted that the complex AID review and approval process caused long delays between project submission and approval without any appreciable improvement in the project quality. According to this consultant, delays stemmed from (1) unclear chains of command, (2) uncertainty about procedures and requirements, and (3) arbitrary and discretionary decision criteria.

Another consultant study of the Agency project assistance cycle dated October 1978 noted that some reasons contributing to the lengthy project development and approval process include

- the demand for detailed documentation,
- the lack of clear delegation of project management responsibilities, and
- review requirements that are neither well documented nor consistently observed.

AGENCY COMMENTS

We have received mixed views in discussing our observations of the African Bureau design performance in the Sahel. Some Agency officials felt our criticisms were not fair in light of the newness of AID presence in the Sahel and the fact that the Agency is beginning an essentially new program. Other officials recognize the need for improving project design and substance while recognizing the difficulty in identifying a better way of doing it.

One mission director said that it seems desirable to focus design reform on three factors.

1. Design of significant projects should be considered a rolling design since experience has clearly demonstrated that it is difficult to predict how projects will develop over even a short time period. Initial designs, no matter how talented the design teams and how cooperative the participating governments, can never be more than a broad outline of the objectives to be sought and the general means to seek them. The realities of a project will become clearer during the early stages of project implementation, so the initial design should be amended to reflect the course of reality.
2. Greater use should be made of the collaborative design process wherein the same organization and the same individuals are used both to design and implement given projects.
3. Less emphasis should be placed on conditions precedent, the use of which has markedly retarded early project implementation.

AID headquarters officials informed us they agree that greater flexibility should be built into its project design procedures and that they have been considering a rolling design approach to project preparation for some time. These officials believe, however, that AID flexibility is limited by (1) provisions of Section 611 of the Foreign Assistance Act, which require detailed economic and financial planning before the commitment of funds and (2) the need to inform the Congress of the precise plan they use at the time that annual AID proposals are presented to the Congress.

The issue of the impact of the section 611 requirement on the timeliness and flexibility of the AID design process has been much discussed in recent years. Principal points to consider are:

- The adequate planning requirement originated in 1958 and stemmed from a need to correct abuses in the planning and implementation of capital development projects.
- AID in recent years has been principally a technical assistance agency concerned with identifying ways to improve food, nutrition, education, and health problems of the poorer countries. As such, they have been less involved in large-scale capital development projects.

--Interpretations of what must be done to meet the legislative requirements are essentially made by AID officials. The need to present iron-clad justifications has been intensified by extensive in-house review. There is a large body of opinion that much of this review and justification is self-imposed and not necessarily required by the Congress.

Whatever the perception of what needs to be done to satisfy the section 611 requirement, if the Agency feels it needs legislative approval to improve its design performance, we believe they should seek it. In the meantime, AID needs to determine how to make its design system more responsive to the development situation in the Sahel.

CONCLUSIONS

The lengthy process associated with the Agency design has been a source of much discussion, study, and review by various offices throughout the Agency. There seems to be a general consensus that methods need to be devised to improve design performance. Some specific actions which could result in the more timely initiation of development projects include (1) the provision for better management of design team selection and composition, (2) better control over the design process, providing more continuity of design team personnel, and (3) increasing host-country personnel participation in the design process.

Over and above these concerns, there seems to be a general consensus that basic systemic changes will be needed to decrease the time between authorization and project implementation by adding more flexibility to the design process.

RECOMMENDATIONS

Accordingly, we recommend that the Administrator, AID thoroughly review the proposed design alternatives and establish procedures to shorten the design and approval process and provide for more timely initiation of development projects. We recommend that the Administrator seek any legislation that is needed to accomplish these objectives.

In addition we recommend that the Administrator, AID reemphasize the need for effective management of design team use, composition, and responsibility. In using design teams, AID should develop methods to insure

--more rapid recruiting, assembling, and fielding of teams;

--increased host-country and mission participation
in design efforts;

--greater planning of team and mission roles; and

--increased stability and continuity of design
teams through project implementation.

CHAPTER 5

FOOD ASSISTANCE COULD BE USED MORE EFFECTIVELY

Food availability is unmistakably the most important concern to the millions of people in the Sahel. The Club du Sahel primary objective is to develop an overall strategy for achieving food self-sufficiency in 20 to 30 years. Yet, quantities of U.S. food assistance will be needed immediately to supplement the countries' annual food supply.

Since 1974 the United States has been providing mostly emergency food assistance to the Sahel countries, valued over \$135 million. Little development other than an immediate nutritional impact has resulted. Yet, with some exceptions, very little is being done to convert from short-range emergency uses to developmental applications.

We believe that the Agency needs to (1) identify the Sahel's long-range food needs and (2) better use the provided food assistance.

PUBLIC LAW 480 PROGRAMS

There are essentially three types of programs authorized by Public Law 480. Title I provides for the concessional sales of agricultural commodities to friendly countries. Sales agreements are negotiated for long-term credit, repayable in dollars or in convertible local currencies in annual installments. Terms range up to 40 years repayment and include a grace period of 2 to 10 years. The interest rate is 2 percent during the grace period and 3 percent thereafter.

Title II is a food donation program aimed at (1) improving the nutrition and health of infants, preschool children, and women of child-bearing age, (2) promoting economic and community development through food-for-work programs, (3) feeding primary school children, and (4) emergency relief. Although title II programs are primarily intended for free distribution, under certain conditions program sponsors may sell the commodities and use the proceeds for preapproved development and/or humanitarian purposes.

Much of the actual planning and implementation of program activities is the responsibility of program sponsors, consisting of nonprofit voluntary agencies, friendly governments operating under bilateral agreements with the United States, and the United Nations world food program. The principal voluntary agencies administering title II programs in the

Sahel are the Catholic Relief Services (CRS) and the Cooperation for American Relief Everywhere (CARE).

Title III, the Food for Development Program, is a variant of title I that permits the funds accruing from the local sale of title I commodities to be offset against repayment obligations to the U.S. Government. In exchange, participating countries agree to use such funds to improve the production, protection, and utilization of food, and to increase the well-being of the poor in the rural sector of the recipient country.

PUBLIC LAW 480 PROGRAMS IN THE SAHEL

U.S. food aid programs for the Sahel since 1963 were exclusively title II programs. Efforts have been unsuccessful in attempting to introduce both title I and title III programs.

Title I requirements and regulations cause problems for poor countries such as those in the Sahel. Recipient countries must bear the ocean transportation costs. With the exception of Senegal, all the Sahel countries are landlocked or do not have adequate port facilities to handle title I shipments thereby creating additional costs to truck commodities inland. Recipient countries must make all arrangements for purchasing and shipping the commodities from U.S. shores as well as in-country storage, distribution, and handling. Due to these factors and other general negative economic conditions of the countries and the inability to absorb the budgetary costs associated with such programs, AID officials see little potential for establishing traditional title I programs in the Sahel. Therefore, except for Senegal, AID missions have not proposed concessional sales programs for the Sahel countries.

In fiscal year 1977, AID officials attempted to negotiate a title I program in Senegal but were unable to finalize an agreement basically because the commodity desired (80-percent broken rice) was unavailable. Government of Senegal officials were interested in the loan forgiveness provisions offered under fiscal year 1977 legislation, but no specific proposal was developed.

The mission recommended that the Senegal Government request for Public Law 480 assistance in fiscal year 1978 be considered in terms of the newly enacted title III legislation. Such a program could not be developed in fiscal year 1978, however, because the mission was unable to submit a firm, timely title III proposal. The Government and mission are currently discussing a possible title III program for

1979, but there are many pending issues to be resolved, including availability of the desired commodities and establishment of agricultural pricing policies.

As of February 1979, AID had not yet established title III programs in the Sahel countries. Interest in title III programs were expressed in Cape Verde, Mauritania, Upper Volta, and Niger; however, no firm proposals have been advanced.

Title II programing problems

Title II programs in the Sahel have been mostly emergency programs with few food-for-work projects and/or alternative programs which provide both humanitarian and development impacts. Over the past 5 years, the United States, the largest single food donor, provided over \$135 million for food assistance.

<u>P.L. 480 Title II</u>					
<u>U.S. EMERGENCY FOOD AID TO THE SAHEL</u>					
	<u>1974</u>	<u>1975</u>	<u>1976 a/</u>	<u>1977</u>	<u>1978 b/</u>
	------(millions)-----				
Senegal	\$ 5,169	\$ 623	\$ -	\$ 810	\$ 4,085
Mauritania	6,701	1,713	2,510	774	1,940
Mali	11,219	6,314	-	-	2,093
Upper Volta	5,523	926	-	5,347	4,801
Niger	13,705	4,742	3,031	-	1,030
Chad	4,258	-	495	3,580	3,545
Gambia	505	336	-	375	352
Cape Verde	-	112	-	-	1,590
Total	<u>\$47,080</u>	<u>\$14,766</u>	<u>\$6,036</u>	<u>\$10,886</u>	<u>\$19,436</u>
Total	<u>\$98,204,000</u>				

a/Includes FY 1976 and transitional quarter.

b/Estimated.

P.L. 480 Title II
U.S. REGULAR FOOD AID TO THE SAHEL

	<u>1974</u>	<u>1975</u>	<u>1976 a/</u>	<u>1977</u>	<u>1978 b/</u>
	----- (millions) -----				
Senegal	\$ 36	\$1,089	\$2,334	\$2,138	\$ 5,159
Mauritania	68	30	456	890	70
Mali	365	354	104	38	481
Upper Volta	603	2,281	3,428	2,593	2,850
Niger	615	432	171	225	735
Chad	657	166	317	643	757
Gambia	363	383	956	297	411
Cape Verde	-	-	<u>1,717</u>	<u>2,391</u>	<u>214</u>
Total	<u>\$2,707</u>	<u>\$4,735</u>	<u>\$9,483</u>	<u>\$9,215</u>	<u>\$10,677</u>
Total	<u>\$36,817,000</u>				

a/Includes FY 1976 and transitional quarter.

b/Estimated.

U.S. missions in the Sahel have had several problems in administering title II program grants. More importantly, the Agency needs to recognize that spontaneous responses to emergencies should be replaced by more logical applications of title II resources in the form of larger title II development and nutritional efforts geared toward (1) feeding the specific population in need and (2) working on the basic development problems causing the shortages.

ECONOMIC AND SOCIAL DEVELOPMENT
USES OF TITLE II RESOURCES

Title II commodities are considered a development resource. As such, the Agency has emphasized programs aimed at improving the nutrition and health of infants, preschool children, and women of childbearing age to combat malnutrition and reduce infant diseases and mortality. Feeding programs are also reserved for high priority needy groups, such as primary school children and drought victims. According to the Agency, mother-child health and preschool feeding programs have first-priority status because proper nutrition during gestation and up to 6 years after birth, are most important to the development of a healthy body.

In addition to the development role of mother-child health, preschool and school feeding programs, and other feeding programs for high-priority needy groups, it is recognized that another effective use of title II resources is to finance food-for-work project to promote agriculture, community, education, and health development programs. The projects can include improved environmental sanitation, potable water, rodent control, school and food storage construction, and other basic rural facilities. These projects help mobilize local initiatives, reduce costs, and foster labor-intensive development approaches. The provided food has not only an immediate nutritional impact on the recipients but plays an important development role in the nutrition education process and in the improvement of rural works and facilities. The voluntary agencies are the principal vehicles for in-country implementation of title II programs.

Food-for-work projects

Cooperation between the voluntary agencies and AID to identify and program food-for-work projects could be increased. In Senegal, a CRS food-for-work project has assisted for 2 years by providing food for energy and by reducing costs to clear and level land, plant trees, and dig irrigation ditches. Similarly, in fiscal years 1979 and 1980, CRS food-for-work will reduce costs and provide the personnel required to build irrigated perimeter projects along the Senegal River. In Chad, CARE plans to distribute 2,000 metric tons of title II food each year during the 5-year period from 1979 through 1983 for its food-for-work program. Chad food-for-work activities are intended to increase food production, improve basic rural facilities, and enhance the environment in which the farmers work. Food-for-work activities are underway in Gambia and Upper Volta.

The potential for such projects was not being developed in Mauritania. CRS was interested in starting a title II food-for-work program but was unable to negotiate an agreement with Mauritania. According to the mission, they did not actively help to establish the title II program because CRS did not ask for assistance.

The title II program in Niger is basically emergency-oriented with no food-for-work projects in operation. Although CARE plans to initiate such projects, they have been unable to agree with the Niger Government about permitting the voluntary Agency to launch these activities. It was hoped, however, that an agreement with the Niger Government would be reached in 1979 so CARE could continue its school

feeding, mother-child health, and food-for-work activities. According to AID/Niger, officials are working with CARE and the Government in exploring the better use of food as a development resource.

Title II programs in Mali and Cape Verde are still administered on an emergency basis. Little development success has been accomplished other than an immediate nutritional impact by reaching high-priority needy groups, such as mother and child beneficiaries and drought victims. The AID/Mali fiscal year 1978 annual budget submission did not indicate that they were planning to use Public Law 480 commodities to achieve development benefits. Although Cape Verde is considering a multiyear title III program which, if implemented, will achieve development objectives, little is being done to emphasize greater development.

Section 206 program

A section 206 program allows the sale, under controlled conditions, of a portion of the commodities provided under title II to raise funds for specific development goals. In Cape Verde, a \$1.7 million section 206 program was approved in fiscal year 1977 and was used to generate local currency to increase agriculture production and to develop water resources. The mission viewed the program as an appropriate instrument to provide food and to finance development activities rather than institute emergency programs. Besides, the Government of Cape Verde wanted to avoid the negative effect associated with free-food distribution and agreed to use proceeds for self-help measures.

Again in fiscal year 1978, the Cape Verde Government requested assistance to supply 10,000 metric tons of corn and 1,500 metric tons of rice under section 206. The Government indicated its willingness to undertake self-help measures to continue development activities. In the meantime, an amendment to section 206 modified the development purposes the proceeds could be used for. According to the AID interpretation of the newly enacted legislation, the Cape Verde section 206 program request did not fulfill the new requirements. In an attempt to provide the food supplies urgently needed by the people of Cape Verde, AID tried to institute a title III program. Because the mission was unable to provide the data essential for approving a title III program, however, it was necessary to fill the critical food need under an emergency program justification.

Accountability of counterpart funds

A sales provision is permitted in a majority of Sahel emergency programs. In some cases the sales proceeds have not been accounted for acceptably. In Niger, accountability of the proceeds was inadequate. The grant agreements required that approximately \$1.8 million from the sale of U.S. commodities be deposited in a Government of Niger account and that both Governments agree regarding the use of such proceeds. We learned that the mission has difficulty getting adequate accounting data from the Niger Government and does not have firm policy governing the use of, and accounting for, title II sales proceeds. Inattention of the Government and the mission has resulted in an ineffective use of proceeds to acquire potential development benefits.

AID/Niger officials indicated that although Government reporting has not been adequate concerning revenues from sales of Public Law 480, Title II commodities, and that receipt of reports has been slow, the Food for Peace Officer is currently working with officials to develop an expenditure plan to make future deposits more timely. Despite the accountability difficulties, the mission has been able to get the Niger Government to deposit sales revenues in the counterpart fund and expects final deposits for fiscal year 1978 commodities in late March 1979.

A 1977 AID Auditor General report revealed that the counterpart fund account in Upper Volta was in chaotic condition primarily because mission officials had consistently failed to require the Government of Upper Volta to comply with grant agreement terms. The agreements required the Government to sell most of the grain at near-market prices and deposit the proceeds into a special counterpart account. According to the report, the Government (1) did not present acceptable accounting records indicating the amount of grain received or sold, (2) did not make required deposits, (3) sold commodities for less-than-market prices, thus generating less local currency, (4) made expenditures for unauthorized purposes, and (5) did not provide required reports.

According to AID/Upper Volta officials, the 1977 audit report was essentially correct. Since then, however, the mission reports that a complete accounting for all basic counterpart deposit requirements has been made with the full deposit of those agreed requirements, and a revised Government grain marketing policy has been established, which strongly emphasizes pricing incentives to small farmers for increased food production.

Even in cases where the U.S. Government did not permit the Sahel countries to sell a portion of the title II food, some commodities were sold despite U.S. instructions for free distribution. In Mauritania, AID officials discovered that Mauritania representatives were selling donated food even though the Government forbade them. When the mission became aware of this situation, they informed the Government that the sale proceeds must be used to finance development activities agreed to by both governments. As a result of the sales, the mission requested amending the agreement to include a sales provision for the distributed commodities. The Agency amended the agreement but accountability of the amount sold and the proceeds generated appeared to be difficult to verify.

Although the above problems have been identified and actions have been initiated to resolve them, these experiences do show the administrative and management problems associated with title II sales programs in the Sahel. We believe, therefore, that before finalizing similar programs in the future, AID should consider the experiences in obtaining adequate accountability of the title II sales proceeds.

CONCLUSIONS

The Public Law 480 program can help the Sahel countries more significantly in achieving food self-sufficiency. Food assistance to the Sahel since 1974 has been mostly for emergencies programed on a year-to-year basis and aimed at supplementing annual food shortages. AID needs to use food assistance more effectively in the long-term development of the Sahel.

The Agency can use Public Law 480 resources more effectively through planning and consultation with recipient governments. AID should also strengthen its administration of the Public Law 480 programs to insure that, when authorized, the proceeds from the sale of these commodities are properly accounted for.

The Agency, in keeping with the congressional mandate, issued policy guidelines for the programming of Public Law 480 food assistance. Despite the directive, the missions and the private voluntary organizations, with certain exceptions, continue to propose food assistance primarily for emergencies and have not successfully identified and/or initiated many new development projects.

The direction and tone of the Public Law 480 program reflected in Agency plans and private voluntary organizations do not, with certain exceptions, adequately address the

development mandate. We believe that development officers should use Public Law 480 more effectively.

To achieve these objectives, the Agency and private voluntary organizations must cooperate to determine how food assistance can be used most effectively.

RECOMMENDATIONS

We recommend that the Administrator, AID, analyze short- and long-term development potential of Titles I, II, and III, Public Law 480 in the Sahel, and develop an overall strategy for the use of Public Law 480 resources for both humanitarian and developmental objectives. Such a strategy should include

- linking the Public Law 480 program with other AID plans to foster needed revisions of host-country policies and solve priority development problems;
- collaborating more closely with private voluntary agencies, missions, and recipient governments by programing Public Law 480 resources to insure that U.S. food assistance is effectively used;
- assessing the recipient government ability to finance development by utilizing and accounting for proceeds from the sale of Public Law 480 commodities; and
- designing more food-for-work projects to provide labor compensation.

CHAPTER 6

PEACE CORPS/AID COOPERATION: AN EVOLVING PARTNERSHIP

In the spring of 1977, AID and Peace Corps began informal discussions to determine how the agencies could better integrate their development efforts. Representatives from Peace Corps and AID signed a letter on April 3, 1978, asking field directors to promote U.S. programs through greater interagency cooperation. The joint letter indicated that AID would provide funds and senior technical advisors and Peace Corps would provide the skills needed at local or regional levels. This plan requires that both agencies be in closer contact at the beginning of the program cycle to ensure that both agency resources are considered at each program phase.

AID and Peace Corps officials who administer programs in Africa support this decision and were convinced that U.S. assistance programs could be more effective if AID and Peace Corps worked together more closely. It was believed that the Sahel naturally lent itself to this kind of cooperation because of its great need, the available development resources, and the high level of interest in the area.

In April 1978, each headquarters office sent specific instructions to its field directors, stressing a closer working relationship between Peace Corps and AID in-country personnel. Working together, field personnel are to

- review present AID projects and approved AID fiscal year 1978 projects to determine whether they might benefit from Peace Corps input,

- review the potential contribution Peace Corps volunteers could make in accelerated impact programs 1/ or operational program grants, 2/ and

1/Accelerated impact programs provide funding up to \$500,000 for each small-scale, one-time, pilot project. Washington approves the funding and congressional notification is required.

2/Operational program grants provide funding up to \$500,000 for the life of each project. Only private and voluntary organizations can receive these monies. The field approves these funds and congressional notification is required.

--review 1980 program submissions to identify potential opportunities in the future for Peace Corps and AID collaboration.

The first two procedures were viewed as short-term efforts that could immediately increase joint cooperation. The third procedure would have a longer effect on Peace Corps and AID relations.

Our review indicated that if the AID/Peace Corps relationship is to be improved, a definite need exists for changes in each agency approach to the development and management of the U.S. assistance program in the Sahel. These changes are necessary if the agencies wish to use resources better. Otherwise, the AID/Peace Corps cooperative relationship will probably remain limited because of

- different planning and programing methodologies of each agency,
- unsatisfactory past collaborative experiences, and
- limited Washington followup.

FACTORS ENCOURAGING CLOSER COOPERATION

Congressional mandates

The 6-year drought afflicting the Sahel which ended in 1973, drew public and U.S. Government attention to that region. When the Congress mandated that U.S. foreign assistance be directed to the world's poor, AID began shifting its resources to areas like the Sahel, where Peace Corps already had a sizeable manpower commitment. AID and Peace Corps interests came to focus in the same area.

Similar priorities

The new AID mandate gave priority to food and nutrition, health and population planning, education, and manpower development. Peace Corps officials also reoriented priorities toward projects attempting to meet the basic human needs of Third World country citizens in health and nutrition; food and water; knowledge and skills; economic development and income; housing; energy and conservation; and community services.

Budget and resource considerations

Budget authorizations for each agency emphasized (1) the Sahel, (2) programs consistent with the new development priorities, and (3) development emphasizing interagency cooperation, where possible. AID is having difficulty attracting qualified personnel to work in the Sahel. In addition, AID apparently has more difficulty in delivering assistance to the levels the Congress mandated--the poorest of the poor. One official stated it takes a lot more personal attention to get a dollar's worth of aid down to the villager who has little or no education, land, or other assets with which AID can work. He said, "Working at this level requires a lot of hand holding." Therefore, as AID financial resources increased, its manpower demand in the Sahel increased. Peace Corps, on the other hand, does not have a manpower problem. It has 500 individuals in this region and is apparently able to attract additional individuals to work in the Sahel. Peace Corps recognized that volunteers working in the new priorities require greater investment support than volunteers in older programs, such as teaching. Peace Corps therefore feels that it can better use staff resources by participating in projects AID financially supports.

FACTORS DISCOURAGING CLOSER COOPERATION

Planning and programing approaches

Agencies' approaches to development assistance are significantly different, which affects the potential cohesiveness of AID/Peace Corps collaborative efforts. Peace Corps has hired one person familiar with AID procedures who conducted special training sessions to help the Peace Corps staff better understand AID methodologies. Peace Corps hopes these efforts will improve AID/Peace Corps cooperation.

AID approach

Generally, AID programs are multimillion dollar, government-to-government, long-range, and commodity-supported programs. For example, AID is planning the Casamance regional development project for fiscal year for 1980--a \$23,710,000 project with initial obligations in fiscal year 1978 and a final obligation in 1981. AID mission and Washington staffs share programing responsibilities, with Washington controlling most project financial decisions. AID programing usually requires an extensive design and review process that frequently takes several years to complete. AID is a more formal organization than Peace Corps and generally works on a government-to-government basis.

Peace Corps approach

Peace Corps programing by comparison is a more informal, decentralized, short-range operation, with the field controlling major aspects of the programing. The Peace Corps budget for an individual Sahel countries rarely exceeds \$1 million. In fiscal year 1978, Peace Corps country budgets ranged from a low of \$232,700 in Mauritania to \$893,000 in Chad. One Peace Corps official described a \$65,000 project as a big project. Peace Corps does not fund individual programs; it funds a specific number of volunteers. In addition, Peace Corps emphasizes the people-to-people aspects of development. Peace Corps programs are intended to focus on the rural and most needy populations. In 1977, of the 500 volunteers in the Sahel, 206 worked in projects meeting Peace Corps basic human needs criteria. Peace Corps has concentrated its manpower in areas requiring little material support and in which Peace Corps volunteers are traditionally strong and relatively well qualified (i.e., teaching English as a foreign language). In general, Peace Corps appears to work on a more informal and personal basis.

Past unsatisfactory collaborative experiences

AID/Peace Corps joint collaboration efforts have not always gone smoothly, especially in the initial stages of a project. Once the project is established, however, things usually run better. AID's failure to meet commitments in a timely manner, and Peace Corps lack of interest in providing the kind of volunteer with high technical qualifications that AID desires has inhibited joint programing.

Delays in implementing AID programs often lead to dissatisfaction. For instance, in September 1977, two Peace Corps volunteers arrived in Senegal to teach at a training center AID still had under construction in June of 1978, and which AID did not expect to open until October or November of 1978. The volunteers have used the time to develop their courses, but the volunteers were frustrated and anxious over the delays. Their 2 years of duty was half over before they taught their first class.

In another instance, the AID Niger range and livestock management project is at least a year behind schedule. Peace Corps volunteers who arrived in October 1977 were unable to start on the job until March 1978. As a result, two volunteers quit and one was reassigned to prevent him from quitting. No AID project personnel are yet in place, and the remaining volunteers feel their jobs are not even good part-time jobs. As a result of these kinds of experience,

Peace Corps Country Directors are reluctant to commit resources to AID projects before AID has everything in place.

AID is not always satisfied with the qualifications of Peace Corps volunteers because most volunteers are generalists and AID wants specialists. Tasks that are simple enough for an average volunteer can usually also be done by local citizens. In one instance, AID needed two volunteers to work in a specialized health program on mother-child care. Peace Corps provided two male volunteers, an especially inappropriate assignment for a Moslem country. To use volunteers in the project, AID officials had to alter the role of the volunteers.

Past collaborative experiences have generated other adverse attitudes. Some Peace Corps officials believe AID is simply using volunteers as an inexpensive labor force. Other Peace Corps staff fear AID officials want volunteers to act as spies for AID. Still others believe AID considers volunteers to be troublemakers. AID officials believe that volunteers do not always understand the U.S. policy interests at stake, and that the volunteers are therefore hostile to AID efforts. Whether true or false, these perceptions are hindering AID/Peace Corps collaboration.

Limited Washington followup
and information exchange

AID and Peace Corps monitoring of the progress of this policy has been rather nonchalant. The joint letter of agreement only indicated that "if such a (joint) plan is developed," then a report should be submitted to each headquarters. The Peace Corps Regional Director for Africa indicated that an analysis of the potential for Peace Corps/AID collaboration would be inserted into the country management plan later. His Special Assistant assigned to monitor the progress of the policy, however, was unaware of the Director's intentions. We found no evidence that AID was reporting on field progress.

Several basic AID documents, such as program identification documents, country summaries, and the annual budget submissions, are available which could alert Peace Corps to potential collaborative opportunities. Peace Corps country management plans could also be a valuable information source for AID individuals seeking cooperative opportunities. Yet none of these documents is regularly exchanged or reviewed by either staff. Communication and information exchange are essential to closer cooperation. Information transfer should be clearly established and regulated--not left to an informal process that has had apparently little positive results.

EXISTING PEACE CORPS/AID COLLABORATION

Peace Corps has volunteers in seven of the eight Sahel countries. AID has programs in all eight countries. Joint collaboration is estimated to be as high as from 25 to 30 percent of Peace Corps projects in some countries such as Chad--as little as 10 percent of total AID projects. No evidence exists of an established joint programming process. Generally, joint projects are developed spontaneously. AID support is usually in the form of materials (shovels, trucks, seedlings, etc.) or monies for this purpose, and has concentrated in noneducational programs, such as water resource development in Chad or sending trucks to Niger.

The three countries we visited had few joint Peace Corps/AID projects. In Senegal, of 12 AID projects, 3 included Peace Corps participation. Of 16 projects in Niger, 4 use Peace Corps volunteers. Of 11 projects in Mauritania, only 1 included Peace Corps. Of a total 39 projects, therefore, joint Peace Corps/AID cooperation represented 20 percent of AID efforts. This calculation, however, does not consider either the number of volunteers or monies available in each country. For example, in Senegal there are 95 volunteers but only 6 are working with AID. The one project in Mauritania using Peace Corps is an accelerated impact project for which AID only provided \$140,000.

FUTURE PROSPECTS

To achieve the desired objectives, each agency will either have to alter its present planning and programming process to better accommodate the organizational requirements of the other agency or provide the field with additional incentives to encourage implementation of the policy. With these actions, the potential for an increase in Peace Corps/AID collaboration will be enhanced.

Only in Mauritania, which has projected four additional joint Peace Corps/AID projects, did we see any positive evidence of increased cooperation. One official, although aware of the basic policy change, was not cognizant of specific headquarters instructions on how to implement that policy, and therefore, he had not taken any positive action. The general attitude expressed in the field was one of restraint. Each party wants to wait until AID projects are established and then determine what Peace Corps can contribute.

Some individuals seem to believe Peace Corps and AID should concentrate their collaborative efforts on short-term

forms of projects. Both AID and Peace Corps recognize the limited capability of Peace Corps volunteer participation in large government projects. Peace Corps can, however, contribute significantly to small-scale, high-impact projects. AID, however, is focusing on large integrated rural development projects. AID acknowledges that cooperation with Peace Corps may be possible in larger projects. Operational cooperation between these two agencies remains a formidable task.

A Peace Corps review identified the following projects that both AID and Peace Corps will support in 1978-79.

<u>Country</u>	<u>Number of projects</u>	<u>Project description</u>
Chad	2	well digging teaching handicrafts
Gambia	1	community development activities
Mali	3	women in development village extension work rural health delivery
Mauritania	1	mother and child health care
Niger	3	rodent control marshlands survey range and livestock management
Senegal	3	crop protection rural health care range and livestock management
Upper Volta	<u>1</u>	range management
Total projects	<u>14</u>	

The joint agreement between AID and Peace Corps recommended that AID and Peace Corps get together early in the planning session, and that an informal joint programming committee be established. We saw no evidence of the implementation of either of these concepts. Even though both Agencies just went through their annual planning process, no real attempt appears to have been made to involve the other Agency in the process.

CONCLUSIONS

Changes in the management and programming procedures are required by both agencies to achieve greater collaboration. It is generally assumed that Peace Corps will have to make the majority of the changes. For instance, Peace Corps needs to engage in more long-term planning; its Washington staff should become more stabilized and increase its involvement in programming. Further, it will have to recruit more skilled personnel. The AID staff must also make changes, however, such as accommodating its planning and review process to Peace Corps capabilities and attempting more small-scale, experimental projects to which Peace Corps can contribute.

Peace Corps has flexibility and a quick-response capability. In adapting to AID's longer term programming, Peace Corps would have to adjust somewhat to provide for more continuity. On the other hand, to accommodate and use the generalists that Peace Corps recruits, the type of technology AID attempts to transfer may have to be decreased in specific projects. Additional analysis is necessary to determine which changes will be the most beneficial and will result in more productive development assistance efforts.

RECOMMENDATIONS

To achieve greater interagency cooperation, the Administrator for AID and the Director for ACTION should review his Agency programming and planning process to identify systemic changes that, at a minimum, would

- regularize the exchange of programming and planning information,
- assure that appropriate feedback from the other Agency is included in project decisionmaking,
- monitor field response and progress to implementing the policy, and
- assure that commitments are met in a timely and complete manner when a joint project is initiated.

The successful implementation of these procedural changes can be enhanced by the appointment of an officer within each Agency to (1) act as liaison, (2) monitor and report on field progress, (3) assure information exchange and use in planning and (4) identify additional changes needed.

AGENCY COMMENTS

AID officials believed that although there is an obvious opportunity to improve joint AID/Peace Corps operations, we did not adequately recognize the full extent of cooperation already achieved. They felt that there were more projects in process than we recognized in our report and cited projects in Chad, Upper Volta, and Mali as examples. Because we did not visit these latter countries we are, therefore, unable to comment on effective AID/Peace Corps cooperation in these countries. The planning, programing, and monitoring weaknesses discussed in our report, however, are applicable generally throughout the Sahel. Therefore, it seems to us that sustained improvements in AID/Peace Corps operations are contingent on effective implementation of the recommended changes.

ACTION generally agreed that the issues discussed in the report constituted a useful and thoughtful review of many complex issues relating to the Sahel assistance program. The Director of ACTION informed us that, in his view, it is important to note that not all Peace Corps programs overlap with AID activities, but when their programs do overlap, collaboration is both important and necessary.

ACTION officials also believed that they have attempted to solve some problems since we completed our field review in July 1978. Steps taken included (1) a Peace Corps planning and programing workshop at Dakar, Senegal in October 1978, with AID participation, when many potentially useful projects were identified and (2) a conference in Nairobi, Kenya, which included a full review on ways to improve AID/Peace Corps collaboration and addressed many issues discussed in this report.

ACTION and Peace Corps officials also believed that they are taking, or are planning to take, substantive actions to change procedures as we recommended. Many actions taken during and since the dates of our fieldwork include the regular exchange of planning and programing data, increased monitoring of field compliance with agency policy, and more reporting on the status of country programs. Actions under consideration include procedures to improve liaison between the respective

headquarters operations of Peace Corps and AID. Peace Corps officials report that discussions are underway to establish regular contacts between designated offices/bureaus of the two agencies, including the AID Bureau for Program and Policy Coordination and Development Support. Peace Corps believes that these links will permit attention to (1) project development tracking and (2) programing policy and procedural questions and joint sectoral initiatives and pilot projects.

AGENCY FOR INTERNATIONAL DEVELOPMENT
PLANNING, DESIGNING, AND PROGRAMING
CHRONOLOGY OF
SELECTED PROJECTS IN THE SAHEL
1973-78

1. INTEGRATED RURAL DEVELOPMENT - MAURITANIA

Objective:

To experiment with approaches to improve range management, livestock control, animal health, and agronomy to determine their acceptability by the local population. The results will serve as the basis for a phase II project.

Estimated life of project FY 1977-78
 Estimated cost of project \$3,346,000

Chronology of Project Planning, Designing and Programing:

Project identification document submitted	Mar. 1974
Studies to justify additional project development	June 1974-Feb. 1976
Design team fielded	Mar. 1976
Design team draft report	June 1976
Project paper drafted	June-Dec. 1976
Project paper approved	June 1977
Project grant agreement signed	Sept. 1977

2. RURAL SECTOR ASSESSMENT/MANPOWER STUDY - MAURITANIA

Objective:

To assist the Mauritania Government in developing information for decisionmaking among alternative development strategies and translating them into specific projects.

Estimated life of project FY 1978-81
 Estimated cost of project \$4,000,000

Chronology of Project Planning, Designing and Programing:

Initial Project concerns, AID/Mauritania	Nov. 1976
Studies to develop terms-of-reference for manpower of rural sector	Feb.-May 1977
Project paper drafted	Sept. 1977
Project paper approved	Dec. 1977
Congressional notification	Jan. 1978
Project grant agreement signed	Mar. 1978

3. VEGETABLE PRODUCTION - MAURITANIAObjective:

To assist in establishing a vegetable production service to promote vegetable production among same farmers and cooperatives.

Estimated life of project FY 1978-81
 Estimated cost of project \$1,470,000

Chronology of Project Planning, Designing and Programing:

Project identification document submitted	June 1976
Project designed and submitted	Nov. 1976
Project paper drafted	Nov. 1977
Project paper approved	Apr. 1978

Note: As of June 23, 1978 no project grant agreement was signed.

4. CEREALS PRODUCTION - NIGERObjective:

To assist Nigerian Government achieve increased production and availability of cereals at prices within the the reach of nonproducing consumers through a sustainable agricultural production system.

Estimated life of project FY 1975-78 (extended through 1979)
 Estimated cost of project \$14,677,000

Chronology of Project Planning, Designing and Programing:

Initial AID/Niger discussion	Feb. 1974
Scope of design work drafted	Mar. 1974
Niger coup d'etat	Apr. 1974
Design team (10-man) prepared project paper	Apr. 1974
Additional studies of potential project	May-Nov. 1974
Revised project paper drafted	Feb. 1975
Project paper approved	May 1975
Project grant agreement signed	Sept. 1975

5. NIAMEY DEPARTMENT INTEGRATED RURAL DEVELOPMENT - NIGERObjective:

To form the institutional basis for Government services at the village levels, test development activities in food production, raise rural incomes and the standard of living in the Niamey Department.

Estimated life of project FY 1977-80
 Estimated cost of project \$4,698,000

Chronology of Project Planning, Designing and Programing:

Project identification document submitted	June 1975
Project designed and first project paper submitted	Sept. 1976
First project paper rejected	Nov. 1976
Revised project paper submitted	Mar. 1977
Revised project paper approved	May 1977
Project grant agreement signed	Aug. 1977

6. RANGE AND LIVESTOCK MANAGEMENT - NIGERObjective:

To study methods of optimizing livestock production while preserving rangeland and water resources in Niger. If acceptable method is identified a phase II of the project is to be initiated.

Estimated life of project FY 1977-81
 Estimated cost of project \$5,329,000

Chronology of Project Planning, Designing and Programing:

Initial idea of range and livestock project established	Fall 1974
Project identification document submitted	June 1975
Design team (4 contractors) submitted project review paper	Dec. 1975
First project review paper rejected	Jan. 1975
Second project review paper approved	Apr. 1976
Range resources inventory made	Aug. 1976
Second design team (8-man) drafted project paper	Mar. 1977
Project paper revised and approved	Aug. 1977
Project grant agreement signed	Sept. 1977

7. RURAL HEALTH IMPROVEMENT - NIGERObjective:

To support and expand the present Ministry of Health rural health delivery system of preventive medicine.

Estimated life of project FY 1978-82
Estimated cost of project \$14,060,000

Chronology of Project Planning, Designing and Programing:

Potential for health project first discussed	Apr. 1976
Team (3-man) visited Niger to prepare project identification document	May 1976
Project identification document approved	June 1977
Project review paper submitted by design team	Nov. 1976
Niger health sector reassessed by design team	May 1977
Contractors completed study of family health care--Niger	Nov. 1977
Final project paper submitted	Jan. 1978
Final project paper approved	Apr. 1978
Project grant agreement signed	June 1978

8. CASAMANCE RURAL DEVELOPMENT - SENEGALObjective:

To increase agricultural productivity and improve the quality of life of farmers residing in the southwest region of Senegal.

Estimated life of project FY 1978-82
Estimated cost of project \$23,710,000

Chronology of Project Planning, Designing and Programing:

Preliminary study scope of work made	Apr. 1976
Project identification document submitted and Senegal law created the Society for Development of Casamance	June 1976
Project design team (9-man) prepared and submitted project review paper	Sept.-Dec. 1975
AID/Washington project committee studied a series of studies by another 10-man team	Dec. 1977
Project paper submitted	Apr. 1978
AID/Washington rejected project paper	May 1978

AID mission--Dakar--revising project paper
 Note: As of June 23, 1978, no project
 grant agreement was signed.

June 1978

9. GRAIN STORAGE - SENEGAL

Objective:

To assist the Senegal Government to develop a grain stor-
 age, distribution and marketing capability.

Estimated life of project FY 1977-81
 Estimated cost of project \$4,905,000

Chronology of Project Planning, Designing and
 Programing:

Project identification document (suggesting \$2.5 million loan)	Apr. 1975
Contract team designed and submitted project review paper	Oct.-Nov. 1975
AID/Washington recommended loan vs. grant be addressed in project paper	Dec. 1975
Project design team prepared and submitted project paper	Aug.-Oct. 1976
Project paper reviewed and redrafted	Feb.-Apr. 1977
Project committee approved grant funding of project	May 1977
Project grant agreement signed	Aug. 1977

10. RURAL HEALTH SERVICES - SENEGAL

Objective:

To provide basic health services at the village
 level through a network of supervised village
 workers.

Estimated life of project FY 1977-81
 Estimated cost of project \$3,435,000

Chronology of Project Planning, Designing and
 Programing:

Project review paper originally submitted to AID/Washington	Mar. 1975
Project review paper revised	June 1975
Project review paper approved	July 1975
Plans established for design team in Senegal	Apr. 1976
Design team in-country	May-June 1976

APPENDIX I

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Project paper submitted to AID/Washington	Nov. 1976
Project paper revised and reviewed	Mar. 1977
Project paper approved	June 1977
Project grant agreement signed	Aug. 1977

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