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NONCAPITAL PROJECT PAPER (PROP)

33p.

I. STANDARD IDENTIFYING INFORMATION

Country: Tanzania Project No. 621-11-150-099
Submission Date: March 5, 1971 Original: X
Project Title: Agricultural Marketing Development
U. S. Obligation Span: U.S. FY 1971 through U.S. FY 1979
Physical Implementation Span: U.S. FY 1972 through U.S. FY 1980
Gross Life-of-Project Financial Requirements:
U. S. Dollars.....\$1,867,000
U. S. Owned Local Currency.....None
Co-operating Country Cash Contribution.. 281,750

Other Donors: None

II. SUMMARY DESCRIPTION

This is the initial PROP for a new technical assistance project designed to assist the Ministry of Agriculture and Co-operatives develop agricultural marketing institutions needed for efficient and competent performance of the agricultural marketing function.

A. Justification:

In Tanzania marketing of most major cash crops is controlled by Government commodity boards which are under the jurisdiction of the Minister for Agriculture and Co-operatives who has overall responsibility for operations of commodity boards and of co-operatives. In general, each commodity board has authority to recommend producer and consumer prices, determine marketing and processing margins, control imports and exports, and either handle directly purchases and sales or license buying and selling agents and processors. Under the "single channel" marketing concept co-operatives, as licensed buying agents for most major cash crops, have exclusive rights to purchase from producers.

The concentration of marketing operations in Government commodity boards and in agricultural co-operatives, to the exclusion of private trading for most major crops, makes the efficient operation of marketing boards and co-operatives and the price policies of commodity boards of crucial importance to the agricultural sector and to the entire economy.

An AID supported study - Kriesel et al - Agricultural Marketing in Tanzania - Background Research and Policy Proposals was published in June 1970. This study reviewed the marketing situation in Tanzania and made certain recommendations for improvements. The report noted opportunities for improvement in price policy as prices directed agricultural production and allocated agricultural resources and could result in over or under production of certain crops relative to demand in domestic and export markets. Opportunities were also present for improving marketing organization and practices, particularly for maize and other grains, and so reducing marketing costs and consumer prices and increasing returns to farmers. The Kriesel report recommended: (1) Formation of an Agricultural Marketing Corporation by consolidation or amalgamation of existing commodity boards; (2) revision of price policies with a view in the long run to reducing prices to export parity for crops with an export potential (particularly cereals in the main producing areas); and (3) improvements in marketing organization and operation to reduce marketing costs and provide better services to farmers and consumers.

The technical assistance to be furnished under this project is supplied in response to a specific request of the Ministry of Agriculture and Co-operatives for USAID assistance in strengthening certain key areas of the operations of the National Agricultural Products Board (NAPB). (Attachment A)

The Ministry request specified these key areas as accounting, marketing, storage, and pricing policy. The request noted that it had been proposed that the National Agricultural Products Board become the nucleus of an Agricultural Marketing Corporation, but the request was not conditioned upon, and the technical assistance provided in this project does not require, the formation of an Agricultural Marketing Corporation.

The National Agricultural Products Board now handles the marketing of maize, paddy, cashew nuts, sesame, groundnuts, sunflower, cardamom, castor, and wheat. Technical assistance in improving marketing operations, reducing marketing costs, and improving price policies for these products will make a major contribution to agricultural marketing and to agricultural development.

NONCAPITAL PROJECT FUNDING (OBLIGATIONS IN \$000)

PROP DATE: March 5, 1971
 Original: X
 Rev. No.: _____
 Project No.: 621-11-150-099

Table 1
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 COUNTRY: Tanzania

Project Title: Agricultural Marketing Development

Fiscal Years	Ap	L/G	Total	Cont ^{1/}	Personnel Serv.			Participants		Commodities		Other Costs	
					AID	PASA	CONT	U.S. Agencies	CONT	Dir & U.S. Ag	CONT	Dir & U.S. Ag	
Prior through Act. FY 1970	TC	G	-	-	-	-	-	-	-	-	-	-	-
Oper. FY 1971	TC	G	406	378	-	-	330 ^{2/}	16	-	12	-	-	48 ^{5/}
Budg. FY 1972	TC	G	61	-	-	-	3 ^{3/}	55	-	6	-	-	-
B + 1 FY 1973	TC	G	254	165	-	-	165 ^{4/}	83	-	6	-	-	-
B + 2 FY 1974	TC	G	293	220	-	-	220	67	-	6	-	-	-
B + 3 FY 1975	TC	G	248	220	-	-	220	28	-	-	-	-	-
ALL Subs.	TC	G	605	605	-	-	605	-	-	-	-	-	-
Total Life	TC	G	1867	1588	-	-	1540	249	-	30	-	-	48 ^{5/}

- 1/ Memorandum (nonadd) column.
 2/ Eighteen months funding for 4 positions at est. \$55,000 per man-year through June 73 assuming January 72 arrival.
 3/ No FY 72 funds required since funding guidelines specify funding only through March 31, 1973.
 4/ Nine months funding for 36 man-months at est. \$55,000 per man-year to carry through forward funding date of March 31, 1974.
 5/ For construction of Govt. Class A housing for expatriate technicians at an estimated \$12,000 per unit.

B. Technical Assistance:

As requested by the Ministry of Agriculture and Co-operatives, technical assistance will be supplied to the National Agricultural Products Board in the key areas of accounting, marketing, storage, and pricing policy. The technicians will be supplied for periods of six to eight years and will be given regular appointments as officers of NAPB. It has been agreed that four technicians will be supplied to fill these NAPB positions:

1. Deputy Chief Accountant,
2. Deputy Marketing Manager,
3. Assistant to the Storage Manager (technical expert on grain storage),
4. Senior Board Economist.

Training of Tanzanian personnel will include on-the-job training and participant training. This project provides for training of 18 participants in the fields of accounting, grain storage, agricultural marketing, price policy, international trade, and business administration.

The commodities requested include office and professional equipment for demonstration and teaching. Vehicles are provided so that the AID-supplied technicians can do the necessary field work for maximum effectiveness.

C. Goals and Objectives:

Quantitative goals or objectives are not appropriate and are not proposed for this project. Progress can be described in terms of training of personnel and in change in the performance of NAPB itself. Items to be considered include: (1) Utilization of USAID technicians; (2) improvement of accounting practices; (3) reduction in marketing costs per unit; (4) reduction in produce losses; (5) development of export sales for products not now major exports; (6) phasing of prices for crops with an export potential toward export parity, and (7) shifts toward full cost accounting as a basis for establishing producer prices for individual products.

Total value of the AID input is estimated at \$1,867,000 (Table 1) of which \$1,540,000 is for AID technicians, \$249,000 is for participants, \$30,000 is for commodities, and \$48,000 for other costs.

Value of the Tanzanian Government contribution is estimated at \$281,750. This includes \$224,000 for basic salaries and support of AID technicians, estimated at \$8,000 per man per year. Total Tanzanian Government cost for participant training is estimated at \$57,750 and includes \$1,500 for salary and \$250 for travel per man per year.

III. SETTING OR ENVIRONMENT

(For detailed description of Tanzanian general agricultural setting or environment see TCAID A-239, November 13, 1969, Non-Capital Project Paper (PROP), Project 621-11-130-092, Seed Multiplication and Distribution.)

This is a technical assistance project to assist the Ministry of Agriculture and Co-operatives develop agricultural marketing institutions needed for efficient and competent performance of the agricultural marketing function. The project will provide technical assistance personnel to the National Agricultural Products Board (NAPB), and to any successor organization, to assist the Board in improvement of operations and in pricing policy. The technical assistance will include training of NAPB personnel.

In order to evaluate this project a brief description of agricultural marketing and of agricultural marketing problems is given in this "Setting or Environment" Section.

Tanzania encompasses a total area of 364,900 square miles with a population of 12,280,000 of which 90 per cent depend on agriculture for their livelihood. Climate and soil conditions are favorable to productive agriculture in the modern sense and near term increases in agricultural production, given sound management of resources, are potentially substantial.

The major cash crops are cotton, coffee, cloves, sisal, pyrethrum, tea, oil seeds, and cashew nuts. The major food crops are maize, millet, sorghum, rice, cassava, bananas, and pulses. Except for sisal and tea all crops are largely grown by African small holders.

Agriculture is the major contributor to Tanzania's economy, and accounts for 45-50 per cent of the monetized sector of the gross domestic product and, including the subsistence component, and accounts for some 55-60 per cent of the total national output.

The composition of marketed agricultural production in mainland Tanzania is illustrated by these 1967 figures:

<u>Crops</u>	<u>Quantity</u> (Tons)	<u>Value</u> (Million Shillings)
<u>Export Crops</u>		
Cotton	68,000	197.2
Sisal	221,000	198.9
Coffee	50,000	193.1
Cashew	85,000	66.5
Sugar	75,000	95.2
Tea	7,400	50.6
Pyrethrum	6,300	34.7
Tobacco	7,900	38.5
Other	40,600	44.8
Total Export	561,200	919.5
<u>Non-Export Crops</u>		
Maize	124,000	32.6
Bananas	124,000	24.8
Cassava	124,000	26.5
Beans and Pulses	37,000	18.5
Paddy	34,000	14.9
Wheat	35,000	19.6
Oil Seed	28,000	14.4
Millet and Sorghum	37,000	15.6
Groundnuts	10,000	8.7
Vegetable, fruit and Other	100,500	34.9
Total Non-Export	653,500	210.5
Total all Crops	1,214,700	1,129.6

(Source: District Data, 1967. Ministry of Economic Affairs and Development Planning, Dar es Salaam, 1968.)

Agricultural marketing for most major crops in Tanzania is under Government control under the "single channel" marketing concept. For each major crop a Government commodity board has authority to recommend producer and consumer prices, determine marketing and processing margins, control imports and exports, and either handle directly purchases and sales or license buying and selling agents and processors. The "single channel" marketing concept has vested in agricultural co-operatives, as licensed buying agents for most major crops, exclusive rights to purchase

from producers. Co-operatives then resell to the various commodity boards who are responsible for sale and onward movement of crops to consumers and processors and to export buyers. The concentration of marketing operations in Government commodity boards and in agricultural co-operatives, to the exclusion of competitive private trading for most major crops, makes the efficient operation of marketing boards and of co-operatives of crucial importance to the agricultural sector and to consumers. Overall responsibility for the operations of the commodity boards and of co-operatives is vested in the Minister for Agriculture and Co-operatives, but concurrence of other Ministers is required for certain decisions such as the setting of producer prices.

At present there are eight commodity boards in operation in Tanzania. These are:

1. The Tanganyika Coffee Board
2. The Lint and Seed Marketing Board
3. The Tanganyika Tobacco Board
4. The Tanganyika Pyrethrum Board
5. The Sisal Marketing Board
6. The National Sugar Board
7. The National Dairy Board
8. The National Agricultural Products Board (NAPB)

(For analysis of commodity board operations and comprehensive treatment of agricultural marketing in Tanzania, see Herbert C. Kriesel, Charles K. Laurent, Carl Halpern, and Henry E. Larzelere, Agricultural Marketing in Tanzania - Background Research and Policy Proposals - June 1970)

The commodity covered by each Board is indicated by its title in the above listing. The National Agricultural Products Board (NAPB) handles maize, wheat, paddy, cashew nuts, sesame, groundnuts, sunflower, cardamom, castor and wheat. For these products it establishes grades or buying standards; recommends prices and other terms of purchase; conducts transport and storage operations; appoints buying agents (now exclusively agricultural co-operatives); sells to consumer, processors, and export buyers; and conducts import and export operations. The purchase and selling prices for NAPB are determined by the Economic Committee of the Cabinet and transmitted to NAPB by the Minister for Agriculture and Co-operatives. Operations of the other boards are similar, although for export crops producer prices are based on export prices realized. The National Dairy Board's activities have been limited so far chiefly to

setting producer prices for fluid milk in the Dar es Salaam and Arusha areas and to planning for establishment of dairy processing plants.

In 1969 NAPB handled eight crops and purchased a total of 341,000 tons:

<u>Crops</u>	<u>Tons</u>
Mazie	129,300
Paddy	44,440
Cashew Nuts	114,900
Sesame	5,630
Groundnuts	6,440
Sunflower	7,040
Castor	9,900
Wheat	23,254
Total	340,904

(Source: Kriesel et al, Agricultural Marketing in Tanzania, page 60)

In 1970 cardamon was added to the scheduled crops handled by NAPB.

Total administration and overhead expenses of NAPB in 1969 on a volume of 341,000 tons was Tanzanian Shillings 7,100,000. The number of full-time employees was about 485 and the bill for salaries and wages was Tanzanian Shillings 4,100,000.

The Tanzania Second Five-Year Plan states that "rural development receives top priority, as most of our latent wealth lies in under-utilized land and in the energies of rural people." The plan includes in the rural development program, goals for increased production of most major crops (except sisal, coffee, pyrethrum, and fire-cured tobacco) and for increased efficiency in production and marketing. Related to this point the Plan states:

"The production aims do not relate only to quantity but may also consist of quality improvement and efficiency objectives. For example, in the case of food grains it will be necessary to increase agricultural productivity sufficiently to provide the farmer with a growing income at the same time allowing for a reduction in price to the consumer."

In the specific case of agricultural marketing improvement, the general objective of this project, the Ministry of Agriculture and Co-operatives has stated (Attachment A) that the country overall marketing strategy may be defined as follows:

1. To further the policy of self-sufficiency in staple foods and livestock products, within the national production objectives

laid down in the Second Five-Year Plan, by use of realistic producer pricing policies and improved methods of distribution.

2. To effect, in the long term, the stabilization of producer prices at levels related to export parity for any crops with an export potential.
3. To reduce marketing costs through the improvement of the operating efficiency of co-operatives and of parastatal organizations engaged in agricultural marketing as an aid to maintaining market competitiveness for the benefit of both producers and consumers.
4. To develop a system of marketing for both export and non-export products which provides for greater involvement of the co-operative movement in the marketing system and in the provision of transport and storage together with greater activity in the field of processing, combined with single channel marketing through the parastatal organizations in such a way that parastatal control over their products is retained as far as possible in the marketing chain linking producers and overseas buyers and producers and Tanzanian consumers.
5. To co-operate in the implementation of any programs for agricultural marketing that are adopted by the East African Community so that all partner states will reap a fair share of benefits from the Community.

The study, Kriesel et al, Agriculture Marketing in Tanzania - Background Research and Policy Proposals, notes that the rapid institution of "single channel" marketing through co-operatives and control of marketing of most major crops by Government commodity boards has been accompanied by certain problems. The most important of these problems according to the Kriesel study are:

1. Co-ordination between the Boards in setting price and marketing policies and dispersion of responsibilities among a number of units of Government and parastatal organizations.
2. Difficulties in determining price levels and price relationships. An example, according to the Kriesel report, is the relatively high producer price for maize which results in consumer prices above import parity, losses on exports in years when maize is exported, and may reduce the incentives to produce some export crops such as cashew nuts.
3. Increases in marketing costs per unit, particularly for cereals and grains, resulting in prices higher than they would otherwise have been for Tanzanian consumers, lowering returns to producers, and reducing the competitiveness of Tanzanian export products in export markets.

Price policy is essentially a Government function and must consider economic, social, political, and other factors. Marketing costs reflect the efficiency of Government commodity boards and of agricultural co-operatives which are the "main buying agents" responsible for primary assembly and purchasing of farm products from producers.

To meet these problems the Kriesel report had a number of recommendations. The main ones were:

1. Formation of an Agricultural Marketing Corporation to centralize and coordinate the marketing and pricing policy responsibilities now dispersed among the different commodity boards.
2. Revision of price policies with a view to reducing price, in the long term, to export parity for export products (including especially cereals in the main producing areas) and with a view to maintaining price relationships that will encourage export (without a loss to the commodity boards) of products which can be produced profitably in Tanzania.
3. Improvement of the efficiency of marketing and a reduction of marketing costs by increasing the efficiency of commodity boards' operations and of the marketing operations of co-operatives. In the case of cereals marketing the report recommends a revision in the marketing structure to give farmers a choice in selling to local societies, to the National Milling Corporation, or to NAPB, and to encourage lateral trading among co-operatives and direct co-operative distribution to retail outlets.

In summary, the Kriesel report's main recommendations are (1) co-ordination of marketing and pricing; (2) revision of price policy, and (3) increased efficiency in marketing operations.

The Report of the Presidential Special Committee of Enquiry into Co-operative Movement and Marketing Boards, (Dar es Salaam, 1966) preceded the Kriesel report by some four years. The Committee Report specifically noted that "we were presented with many grievances by the farmers of almost every place which we visited, for the attention of the President." Farmers' complaints included: (1) Low prices; (2) heavy expenses of marketing boards; (3) inefficiency of co-operative societies; (4) numerous deductions from gross proceeds of produce sold, and (5) improper and unfair grading of produce.

On co-operatives the Committee Report noted that "the co-operative movement today is busy growing into the functions now assigned to it in the whole marketing system, and this is likely to be so for several years. As additional managerial and executive talent becomes available to the movement it can be fully absorbed in the Unions and in the enlarged CUT (Co-operative Union of Tanganyika)."

On the organization of commodity boards, the Committee Report recommended one board, the NAFB, for food crops. A second board, "Board for Export Crops," would handle all export crops. These amalgamations, the Committee Report said, should result in improvement and substantial savings in the costs of transportation, storage and other marketing operations. In addition, the Committee Report noted that board amalgamation would present an opportunity for improved market promotion and for wise planning. Such amalgamation would, it was recommended, result in a joint planning unit which in co-operation with the Ministry of Agriculture would ensure "that as far as possible agricultural policy would be made in the light of market opportunities, and marketing possibilities will be made in the light of agricultural prospects."

In the last half of CY 1970 an Interministerial Committee on the Re-organization of Agricultural Marketing Boards was formed. Its terms of reference required it to study the proposals made in the Kriesel report, Agricultural Marketing in Tanzania, and to make detailed recommendations on the steps to be taken to establish an Agricultural Marketing Corporation. The terms of reference of the Interministerial Committee were limited to the formation of an Agricultural Marketing Corporation and did not include marketing by co-operatives.

The Interministerial Report recommended the formation of an Agricultural Marketing Corporation which would encompass the marketing activities of the present commodity boards. The recommended structure of the new corporation was essentially along commodity lines and included three major departments:

1. Administration

Personnel
Legal
Accounts

2. Planning and Investment

3. Commodities

The Commodities Department, it was recommended, would be divided into various divisions - grains, oilseeds, cotton, coffee, tobacco, pyrethrum, etc. - with each division responsible for purchase, storage, sales, and distribution of the commodity or commodities it handled.

At this time (March 1971) USAID/Tanzania does not know if the Interministerial Report will be accepted or not accepted by the Tanzanian Government. If accepted, passage of new legislation will be needed to establish the new Agricultural Marketing Corporation.

This project is not conditioned upon and does not require the formation of an Agricultural Marketing Corporation. The project provides for technical assistance to the National Agricultural Products Board and

any successor organization, and the Tanzanian Government request for technical assistance mentions the proposal that the National Agricultural Products Board be the nucleus of a new Agricultural Marketing Corporation.

This project is consistent with and supports AID's technical assistance program in Tanzania which is primarily focused on the agricultural sector. The project supports the general goal of assisting in the development of Tanzania's supply of high level manpower. In the agricultural field this project is related to and supports Project 621-11-130-092, Seed Multiplication and Distribution, and the proposed Project 621-11-110-107, Agricultural Research. The development of institutions and of high level manpower for agricultural marketing, multiplication and distribution of improved seeds, and agricultural research are inter-related and necessary for agricultural development in Tanzania.

IV. STRATEGY

AID technical assistance in agricultural marketing and to this project is based on preliminary studies by AID and the Ministry of Agriculture and Co-operatives and on a specific technical assistance request from the Ministry.

The Phase I Agricultural Sector Reconnaissance (an AID in-house team study made in July-October 1967), identified this technical assistance area among others and provided basic background information to develop the scope of work for a comprehensive study of agricultural marketing.

The Kriesel report, Agricultural Marketing in Tanzania - Background Research and Policy Proposals, was the second phase of AID's work in agricultural marketing in Tanzania. Highlights of the report are given in the preceding section. In general, the Kriesel report confirmed the urgent need for the project and the vast and impressive opportunities for contributing to economic development in this country.

This present project proposal represents the third phase of AID assistance in agricultural marketing in Tanzania.

This project provides for four technicians or specialists in agricultural marketing to be assigned to positions in the National Agricultural Products Board, or any successor organization. The assignment of these four technicians is based on the identification of agricultural marketing problems, as noted in the Kriesel report and elsewhere, and on the specific technical assistance request received from the Ministry of Agriculture and Co-operatives in February 1971 (Attachment A).

The Ministry request stated that there was a need to strengthen certain key areas of the operations of NAPB. These key areas were in accounting, marketing, storage and pricing policy, and technicians were requested to work in these four areas.

Following receipt of the Ministry request, job descriptions for four technicians in these areas were worked out with the General Manager of NAPB (see Attachments B - E). The technicians to be supplied under this project will hold regular operational positions in NAPB and so will have maximum opportunity to assist their Tanzanian colleagues in improving NAPB operations and in developing and training Tanzania staff. They will not occupy advisory positions where their usefulness would probably be somewhat limited. The positions to which AID will supply personnel are:

1. Deputy Chief Accountant
2. Deputy Marketing Manager
3. Assistant to the Storage Manager (This position is for a technical expert on grain storage.)
4. Senior Board Economist

Supplying these technicians will contribute to the solution of two marketing problems noted in the previous section - formulation of appropriate pricing policy and reduction in the marketing costs per unit of product handled by NAPB. It will also assist NAPB in its problem of market development - both domestic and export. If later an Agricultural Marketing Corporation is formed with NAPB as the nucleus the technical assistance provided herein will be even more valuable.

The present project will not directly contribute to improving the efficiency of the marketing functions (chiefly primary assembly) of agricultural co-operatives, although a substantial indirect contribution will be made. The Ministry request specifically notes that its present request for technical assistance does not include marketing assistance for agricultural co-operatives, but the matter is under study and the Ministry may wish to discuss such assistance with AID later.

The Mission considers that co-operating country leadership and support for this project is excellent. Staff and policy officials concerned in the Ministry of Agriculture and Co-operatives and in the National Agricultural Products Board support the project.

The Mission does not know of a practical alternative strategy to technical assistance in agricultural marketing within the context of Government policy and existing marketing institutions. Provision of operating personnel to NAPB represents best utilization of available American expertise. Provisions of advisory personnel would be less effective and is not recommended.

As noted in the preceding section, this project on agricultural marketing complements and will facilitate attainment of the production and income

objectives of Project 621-11-130-092, Seed Multiplication and Distribution, and the proposed Project 621-11-110-107, Agricultural Research.

The Mission has reviewed projects of other donors in the agricultural marketing field, and concludes that this project does not conflict, duplicate, or overlap with projects of other donors.

UNDP has a project to assist the Government in setting up a Marketing Development Bureau in the Ministry of Agriculture and Co-operatives. The primary functions of the Marketing Development Bureau will be research in such aspects of marketing development as:

1. Agricultural production by product and geographic location;
2. Primary assembly;
3. Grading and standardization;
4. Packing and containers;
5. Transport;
6. Processing;
7. Storage;
8. Distribution;
9. Consumption and supply/demand schedules;
10. Supply of production inputs;
11. Marketing institutions and services;
12. Marketing legislation;
13. Prices.

The storage operations of the National Agricultural Products Board will be substantially expanded and improved by financial and technical assistance from the Swedish International Development Agency (SIDA). The financial assistance consists of a loan of 20,000 Swedish Kroner (about US \$4,000,000) to assist in financing a construction program totaling 24,200,000 Swedish Kroner (about US \$4,800,000).

Storage construction planned includes the following silos:

Dar es Salaam	18,300 tons
Dodoma	8,900
Iringa	10,800
Arusha	8,900

In addition, construction of about 40 conventional bag storehouses with a capacity ranging between 250 and 1,100 tons is planned for co-operative societies in the Arusha/Moshi and Iringa areas. Construction of a maize mill with an annual milling capacity of 30,000 tons adjacent to the Dodoma silo is planned.

Present storage capacity of NAPB is about 150,000 tons of conventional bag storage.

Technical assistance planned under the SIDA project includes (1) one overall project coordinator; (2) one project coordinator for construction; (3) four silo operation experts (one at each silo site) to provide training in silo operations; (4) one expert to provide instruction in crop handling at the Co-operative College, Moshi, and (5) one expert on silo operations to be stationed in the Storage Department, NAPB, Dar es Salaam.

The SIDA project was originally planned to start in June 1973 with construction probably phased over 12-18 months and technical assistance to be provided for not more than two years after completion of construction. At present (March 1971) project plans are being restudied and there may be some revisions in this time schedule and an increase in the amount of storage to be constructed.

Technical assistance in co-operative development (including business management and marketing) in Tanzania is provided by a joint Danish-Swedish program administered by the Danish International Development Agency (DANIDA). At present (March 1971) DANIDA has 25 co-operative specialists in Tanzania.

These specialists include 18 assigned as Assistant Regional Co-operative Officers and four tutors at the Co-operative College, Moshi. Others are one specialist serving as Assistant General Manager, National Distributors, Ltd.; one Consumer Co-operative specialist in the Co-operative Development Division of the Ministry of Agriculture and Co-operatives; and one Marketing specialist assigned to the Co-operative Research Section of the Co-operative Development Division of the Ministry of Agriculture and Co-operatives.

V. PLANNED TARGETS, RESULTS AND OUTPUTS

This is a technical assistance project to assist the National Agricultural Products Board in key areas of accounting, marketing, storage and pricing policy. Technical assistance is inherently an effort to improve the quality of co-operating country resources and/or performance and no attempt is made here to describe project results in quantitative terms. Nevertheless, it is necessary to describe anticipated results in some terms so that it may be decided if the project should be begun and, after it is begun, if it should be continued. The anticipated results can be described, first, in terms of training of personnel and, second, in terms of anticipated change in the performance of NAPB itself. The latter point can best be described in terms of direction of change rather than in terms of actual actions to be implemented.

The Deputy Chief Accountant will be expected to assist in the institution of improved accounting practices and the training of accounting personnel in their use. Included in the improvements are the institution of cost accounting practices for analyzing the feasibility of NAPB projects. Training will include on-the-job training of NAPB accounting employees and participant training. Substantial progress in this direction is expected in the first two years the technician is on board and the job should be substantially completed in six years.

The Deputy Marketing Manager will be expected to assist in revision and improvement of the marketing programs of NAPB and in the training of personnel to administer the improved programs. Indicators of progress will include reduction in marketing costs per unit of product handled; reduction in produce losses in the marketing process; timely collection of products from upcountry buying points and prompt economical movement to consumers, processors, export buyers and into storage; and development of export sales for grains and other products which are not now major exports. Training will include on-the-job training of NAPB employees and participant training. Substantial progress is expected in these directions the first two years, but if the Deputy Marketing Manager is successful in developing his program, particularly in sales, continuation of this technical assistance position for eight years is expected.

The Assistant to the Storage Manager is expected to develop improved methods of storage and to train Tanzanians in the improved methods. Training will include on-the-job training and participant training. Institution of pest and rodent control in NAPB storage is an important aspect of the work. Indications of progress will include reduction in losses and deterioration of grain and other products in storage; institution of pest and rodent control measures (including fumigation), and introduction of improved handling methods for stored products. Substantial progress in these directions is expected in two years, and this technical assistance position should not be needed after six years.

The Senior Board Economist will be responsible for advising the General Manager and the Board (and indirectly the Minister for Agriculture and Co-operatives) on market analysis, prices and price policy, marketing programs (in co-operation with other senior officials of the Board's staff) and for feasibility studies. He will provide on-the-job training for Tanzanian staff in these jobs, and participant training will also be used. Indicators of progress in the effectiveness of the Senior Board Economist will include adjustments made in phasing internal prices for grains and other products with an export potential toward export parity; shifts toward full cost accounting as a basis to establish realistic producer prices for individual products; shifts away from flat geographical and seasonal producer prices toward prices that make rational allowances for transport, storage, and other costs; and utilization of the Senior Board Economist and his staff for market and feasibility analyses. Substantial progress is expected within two years, but because of the small number of economic staff now employed by the Board, this technical assistance position may be needed for eight years.

VI. COURSE OF ACTION

Following receipt of the request for technical assistance in marketing in February 1971 the Mission worked out job descriptions and duties for the AID-supplied technicians with the General Manager of National Agricultural Products Board. These job descriptions are attached as Attachments B to E. A simplified organization chart of NAPB is attached as Attachment F.

It is expected that these technicians will arrive about January 1972 and will assume their duties as part of the NAPB organization. No attempt is made here to forecast their exact duties and day-to-day operating roles in NAPB beyond that given in their job descriptions. With the concurrence of the General Manager of NAPB, each technician will be asked, within a reasonable time after his arrival and after allowing for an orientation and familiarization period, to prepare a work plan covering his first two-year tour and submit this work plan to the General Manager and to the USAID Food and Agriculture Officer. Activities of each technician and the utilization of him by NAPB will be reviewed with the Ministry of Agriculture and Co-operatives and with NAPB from time to time and before his services are continued beyond the initial two-year tour.

As OPEX employees of NAPB, the AID-supplied technicians will in the course of their duties conduct on-the-job training for Tanzanian employees of NAPB. Beginning in CY 1971 (US FY 1972) participant training will start. It is expected that during the eight years estimated duration of the project, the following participant training will be provided for NAPB employees:

Accounting and Fiscal Management

Three participants for two years each.

Grain Storage

Three participants for one year each.

Agricultural Marketing

Three participants for two years each.

Price Policy

Three participants for two years each.

International Trade (Agricultural products)

Three participants for two years each.

Business Administration

Three participants for two years each.

At the end of eight years estimated project duration, trained replacements will be available for each of the AID-supplied technicians.

VII. OTHER

In order to assist the Tanzanian Government provide housing for AID personnel supplied under this project, AID will make a grant-in-aid of \$48,000 (\$12,000 per house) to assist in defraying the costs of constructing and furnishing four houses for the four AID-supplied technicians. Details and terms of the grant will be worked out and specified in the Project Agreement.

The terms of the grant will include provision that the housing be constructed and hard furnishings provided in accordance with standards of Housing Pool A (housing provided senior Government officials). It is expected that the housing will be 3-bedroom, 1-1/2 bath houses, constructed to a design approved by AID. The housing will be titled in the Tanzanian Government which will be responsible for maintenance. However, the housing constructed with the assistance of AID grants-in-aid will be reserved for and available to AID as long as needed for housing of AID-supplied technicians under this or other projects.

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ATTACHMENT A

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MINISTRY OF AGRICULTURE, FOOD AND CO-OPERATIVES
THE UNITED REPUBLIC OF TANZANIA

Administrative Division
Pamba House
P.O. Box 9192
Dar es Salaam

10th February, 1971

Dr. Oleen Hess,
Food and Agriculture Officer,
United States Agency for International Development,
P. O. Box 9130
DAR ES SALAAM

Dear Dr. Hess,

TECHNICAL ASSISTANCE - AGRICULTURAL MARKETING DEVELOPMENT

Discussions have been going on for some time with your representative in Dar es Salaam on the subject of the technical assistance you might provide to support our plans for developing further the agricultural marketing structure in this country within the framework of the country's overall agricultural marketing strategy, which may be defined as follows:-

- (a) To further the policy of self-sufficiency in staple food and live-stock products, within the national production objectives laid down in the Second 5-Year Plan, by the use of realistic producer pricing policies and improved systems of distribution.
- (b) To effect, in the long term, the stabilisation of producer prices at levels related to export parity for any crops with an export potential.
- (c) To reduce marketing costs through the improvement of the operating efficiency of co-operatives and of parastatal organisations engaged in agricultural marketing as an aid to maintaining market competitiveness for the benefit of both producers and consumers.
- (d) To develop a system of marketing for both export and non-export products which provides for greater involvement of the co-operative movement in the marketing system and in the provision of transport and storage together with greater activity in the field of processing, combined with single-channel marketing through the parastatal organisations in such a way as to ensure that parastatal control over their products is retained as far as possible in the marketing chain linking producers and overseas buyers and producers and Tanzanian consumers.

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ATTACHMENT A

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- (e) To co-operate in the implementation of any programmes for agricultural marketing that are adopted by the East African Community so that all partner states will reap a fair share of benefits from the Community.

2. To this end, we propose to combine the existing commodity boards into one Agricultural Marketing Corporation. The nucleus body for the Corporation will be the National Agricultural Products Board which currently has responsibility for all aspects of marketing a wide range of products, including staple food crops such as maize and rice.

3. We feel that, pending the formation of the Corporation and even after its formation, there is a need to strengthen certain key areas of the operations of the NAPB. These key areas are in accounting, marketing, storage and pricing policy. We are, therefore, making application to U.S.A.I.D. to recruit and supply, under technical assistance, four technicians to work in these key areas in the NAPB in Dar es Salaam and, later, in any successor organisation that may be instituted.

4. The following descriptions indicate the duties that each of the four experts will be expected to perform and give some idea of the calibre of the persons it is hoped will be recruited:-

(i) Accounting Expert

He should be a qualified accountant and should have commercial accounting experience in the agriculture sector. Experience in cost accounting will be necessary as the cost effectiveness of the Board's silo storage operations will have to be evaluated. He will work under the general supervision of the Chief Accountant of the Board but will have wide latitude for independent judgement in advising on the improvement of accounting techniques both in connection with the produce handled by the Board and also with the Board's internal accounting system.

(ii) Marketing Expert

He should be a graduate and a person of proven marketing ability in a marketing board or similar organisation, preferably over a wide range of commodities. He will be required to assess the export markets and their demand for Tanzanian products and also the demand from the domestic market. He will be required to keep a continuous watch on the acceptability of the Board's produce and recommend ways in which improvements in grading, sorting, packing and quality control can be brought about. He will be responsible for advising on short-term market research and improvement programmes for internal and export markets and for the institution of marketing channels directly with overseas buyers.

(iii) Storage Expert

A graduate or of an equivalent academic standard and a technical expert on the storage of agricultural produce in the tropics is required. He will be required to provide technical expertise to facilitate the proper functioning of the Board's

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ATTACHMENT A

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silos and go-downs. He must be able to advise on pest control and fumigation methods under field conditions and should also be familiar with laboratory techniques for solving storage problems with a view to subsequent practical implementation in the field. He will be expected to advise on storage and handling techniques in conditions where no, or few, mechanical aids are available as well as in conditions where some mechanisation is possible.

(iv) Economics Expert

He will be a graduate and will be responsible for advising the General Manager on the prices structure for staple food crops and, in co-operation with the Marketing Expert, will devise improved methods of marketing food crops throughout the country. He will be expected to be particularly active in the formulation of pricing and marketing programmes for maize and maize meal, paddy and rice. He will be responsible for advising on the acquisition and use of the economic data required to facilitate future effective price and marketing policies. He will have responsibility for instituting an evaluation procedure whereby the proposed improvement programmes can be seen against alternative programmes, and their results assessed against possible likely results of the alternatives.

5. We are aware that the above request refers only to the operations of the NAPB (and any successor organisation that we may construct round it) but we recognize also that the field of co-operative marketing would benefit from a closer study. An effort will be made at some time to improve the marketing of commodities by the co-operative movement and so, at a subsequent date, we may wish to discuss with U.S.A.I.D. the possible provision of technical assistance to further this intention.

6. We hope that this application will have a favourable response.

Yours sincerely,

T. Apiyo (signature)
PRINCIPAL SECRETARY

JOB DESCRIPTION - DEPUTY CHIEF ACCOUNTANT

Under the general supervision of the Chief Accountant, who is available for consultation and advice and who will supply policy guidance, and with considerable latitude for independent judgment within established policy, the Deputy Chief Accountant, as assigned by the Chief Accountant, will be responsible for performing, or assisting the Chief Accountant in performing, the following:

1. Managing all accounts of the Board and formulating accounting policies and procedures for approval of the General Manager and the Executive Committee.
2. Maintaining the Board accounts on a commercial basis as will properly facilitate management of the Board's monies and provide a satisfactory evidence of its overall performance.
3. Preparing annual balance sheets and income and expenditure accounts covering the activities of the Board.
4. Preparing financial estimates and budgetary statements projecting anticipated expenditure into future financial years.
5. Maintaining domestic accounts and budgetary expenses of general administrative and working expenses of the Board and to control expenditure under this heading.
6. Keeping the General Manager informed of any deviations of actual expenditure of revenue from budget and advising him in regard to action of correction.
7. Establishing and maintaining procedures for payment and recording wages and salaries due and approved deductions.
8. Advising and assisting the Marketing Manager as requested in reviewing price ranges in the light of the anticipated cost trends and providing general information as to the basis of price policy.
9. To introduce, establish and maintain a procedure for scrutiny and authorization of accounts for payment of suppliers to the Board and maintaining through financial control, procedures to ensure that expenditure on administrative and office services is kept within budget limits.
10. Preparation of financial reports and statements of accounts in relation to the amount of stock held and the financial implications arising therefrom.
11. Ensuring that the Board's properties are adequately insured and dealing with all insurance matters arising therefrom.
12. In consultation with the Marketing Manager establishing and maintaining procedures for invoicing of goods supplied to customers and collections of payments thereof.

13. Establishing a system of cost accounting for analysis of the feasibility of various Board projects.
14. Supervision of approximately 55 employees in the Accounts Department.
15. Related duties as assigned.

Qualifications:

Education

A ~~Master~~ of Commercial Science degree is required. ~~Certification as a Certified Public Accountant~~ is desirable and recommended, but not required.

Experience

A minimum of six years progressively responsible experience as Accounting Officer, Budget and Accounting Officer, Deputy Controller, Controller, or similar senior position in a non-government business firm (private or co-operative) engaged in the buying and selling of grain and other farm products is required. The experience must demonstrate managerial and executive ability in setting up accounting systems, including cost analysis systems necessary to analyze the feasibility of various marketing projects, and in supervision and direction of accounting employees.

Some experience in a governmental agricultural marketing organization is desirable but not required.

Some foreign experience is desirable but not required.

Other

Ability and willingness to engage in frequent field travel is required.

Duty Station:

Dar es Salaam.

JOB DESCRIPTION - DEPUTY MARKETING MANAGER

Duties:

Under the general supervision of the Marketing Manager, who is available for consultation and advice and who will provide policy guidance, and with considerable latitude for independent judgment within established policy, the Deputy Marketing Manager, as assigned by the Marketing Manager, will be responsible for performing, or assisting the Marketing Manager in performing, the following duties within the interpretation of Government and Board's marketing policy:

1. Orderly general administration of the Marketing Department.
2. Planning and carrying into effect appropriate activities for:
 - (a) The assessment of markets and potential customers demand.
 - (b) The sale, negotiation and conclusion of Sale Contracts of both imports and exports of the Board's produce and hence responsible for arranging shipment of crops sold on export. This task is delegatable to Assistant Marketing Managers who, however, must have formal approval of their achievements and lines of action.
 - (c) Responsible for internal transport and movement of the Board's produce and hence responsible for all transport claims for internal and export crops.
3. Preparation of Produce Sales Budget showing anticipated sales and expenses in attaining them. This shall be achieved through keeping under continuous review the market conditions to assess the trend of actual and potential consumer demand.
4. Fixing the prices, in accordance with government decisions at the Agricultural Products Pricing Committee and the Economic Committee of the Cabinet, of produce sold within the country and where necessary adjusting them within the established produce pricing policy of the Board.
5. Preparation of all measures in the event of famine and hence responsible for establishing each year the levels of the buffer stock reserve of maize, paddy, etc. for the country's needs in the event of famine.
6. Keeping a continuous watch on the acceptability of the Board's produce and recommending way, research or investigations in respect of improvements in quality and correction of deficiencies either in the grading or sorting of the Board's produce. This calls for a coordinated relationship with the Storage Department which will now be responsible for quality control of the Board's produce.

7. Carrying out serious investigations and effecting immediate remedies on each and every serious or recurrent complaints from customers in respect of produce qualities, deliveries, late attendance to correspondences relating to the Marketing Department from customers and on any complaint from customers relating to poor service rendered by the Marketing Department staff.
8. In co-operation with the Board Economist engaging also in the market research for the Board's produce.
9. Keeping and maintaining accurate and up-to-date statistical stock records of the Board's produce to ensure that the Board's funds are not for a long time tied up in stocks unless these are buffer stocks.
10. Co-operating with the Board Economist in furnishing him with the requisite information when he is compiling Market reports, etc.
11. Ensuring adequate control of the sales distribution activities carried out by the supporting staff so that costs are kept within and possibly below the budgeted levels.
12. Keeping in contact with trade associations within and outside the country in respect of all matters concerning prices, market conditions of the Board's produce and in general to have the knowledge of Conditions of Sale of the Board's produce in various countries of the world. In this end to undertake appropriate activities for the development and promotion of sales of all the Board's produce.
13. Maintaining in the Marketing Department, current and very up-to-date information regarding qualities and prices of produces sold by Board competitors (i.e., other countries producing and selling the same commodities).
14. Encouraging and maintaining team work of all the staff in the department.
15. Drawing up the crop estimates for the coming season and to continually keep them reviewed so as to permit easy assessment of what quantity to be safely committed for sale at any given time.
16. Maintaining close and cordial business contacts with customers both internally and overseas and with the approval of the Board's General Manager, make visits at suitable intervals.
17. Supervision of approximately thirty-five employees in the Marketing Department and of marketing operations at eight NAPP branches.
18. Related duties as assigned.

Qualifications:

Education:

A B.Sc. degree, or equivalent in agricultural marketing is required. A B.Sc. degree in Commerce or Business Administration may be accepted if competence in agricultural marketing is demonstrated.

Experience:

A minimum of six years progressively responsible experience in a non-government business firm (private or co-operative) engaged in buying and selling of grain and other agricultural products is required. The experience must include purchasing of products from farmers and/or farmers organizations, sales to domestic consumers and/or processors, and export sales. Managerial and executive competence and ability in developing and directing purchase and sales programs for farm products, including export sales programs, must have been demonstrated. Some experience in a Government organization concerned with purchase and sale of farm products is desirable but not required. Some experience working in a foreign country is desirable but not required.

Other:

Ability and willingness to engage in frequent field travel is required.

Duty Station:

Dar es Salaam.



Department of State

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APPROVED BY: AFR/EAF: JKNOLL, DIR
AFR/EAF: ELOFHOUSE (PHONE)
AFR/EAF: CASANDERS
DISTRIBUTION: 2C ACTION AFR INFO IS AAPC 26P

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AIDAC

SUBJ: PROP PROJECT 621-11-150-099

FOR HESS FROM BIERMAN

RE ATTACHMENT B SUBJECT *** PROP, CHANGE FIRST SENTENCE EDUCATION
QUALIFICATIONS TO READ "A MASTER'S DEGREE IN BUSINESS ADMINIS-
TRATION WITH MAJOR EMPHASIS IN ACCOUNTING, OR EQUIVALENT, IS
REQUIRED." NO OTHER CHANGES.
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JOB DESCRIPTION - ASSISTANT TO THE STORAGE MANAGER

Under the general supervision of the Storage Manager, who is available for consultation and advice and who will supply policy guidance, the Assistant to the Storage Manager is the principal technical officer of the Storage Department. As assigned by the Storage Manager, he is responsible for performing the following duties:

1. Developing and executing improved storage of produce as well as handling methods of produce through use of appropriate handling aids.
2. Developing proper and requisite pest control and fumigation methods for the Board's produce and procuring requisite materials for the carrying out of such tasks.
3. Maintaining close and cordial contacts with Research institutions on questions concerning damage and pest control on produce and act as technical adviser on these points.
4. Drawing up instructions for storage and pest control and keeping them reviewed when necessary for use by the Board's branches and main agents and ensuring compliance of the instructions.
5. Shall be responsible for all maintenance work on silos, go-downs and on all mechanical storage and handling equipment.
6. Maintaining contacts with the Board's branches and main agents on all matters relating to quality, handling and care of produce and as well as on pest control and be chief advisor on what to be done on these matters.
7. Purchase centrally and hold stocks of requisite varied pest control agents and distribute them as and when required by the fumigation units.
8. Purchase, upkeep and maintain requisite equipments for pest control and fumigation and hold requisite stocks of spare parts and repair equipment and machines.
9. Supervision of assigned employees.
10. Related duties as assigned.

Qualifications:

Education:

A B.Sc. degree, or equivalent, in agricultural marketing, agricultural entomology, agricultural engineering, or other field related to storage of grain and other farm products is required.

Experience:

A minimum of six years experience in grain and other farm products storage operations for private, co-operative, or government organizations is required. The experience must have demonstrated technical competence in formulating and directing pest control (including rodent control) and fumigation operations in grain and other farm products. At least two years of the experience should have been under tropical conditions.

Other:

Ability and willingness to do frequent and extensive field travel is required.

Duty Station:

Dar es Salaam.

JOB DESCRIPTION - SENIOR BOARD ECONOMIST

Under the general supervision of the General Manager, who is available for consultation and advice and who will supply policy guidance, and with considerable latitude for independent judgment within established policy, the Senior Board Economist will be responsible for performing the following:

1. Market Analysis - dynamic investigation and reporting on world and local markets into which the Board may sell its produce to the greatest advantage of the nation. Constant digestion and interpretation of overseas market information obtained from wide and regular study of relevant reports, papers and periodicals such as the "Financial Times," "Economist," Company Reports, etc.
2. Price Analysis and Price Policy - Analysis of the price structure for all farm products handled by the Board (particularly staple foods including maize, maize meal, paddy and rice). Formulation or recommended price policy (particularly for staple food crops), including recommended prices to be paid by the Board in purchasing and recommended prices to be charged by the Board in selling, for consideration by the General Manager, the Board, and the interministerial agricultural products pricing committee.
3. Marketing Programs - In co-operation with the Marketing Manager, the Chief Accountant, and other concerned members of the Board's staff will assist in the formulation of improved marketing programs (particularly for staple food crops) with a view to reducing marketing costs for the benefit of both producers and consumers.
4. Costing - preparation of costings in full and close collaboration with Chief Accountant and Marketing Manager for all Board controlled crops, coupled with a deep investigation of each of the costing elements, particularly with the purpose of establishing and recommending practical measures for reducing them and the marketing margin to the barest minimum and assist Chief Accountant, Trading Manager and Produce Manager in presenting economic arguments to be used at meetings such as Agricultural Products Pricing Committee, etc.
5. Feasibility - Studying all aspects of marketing board controlled crops and the "feasibility" of other scheduled crops on which the Board may be asked to institute controlled marketing. Through study and appraisal of the economic/marketing aspects of proposed Board projects and liaisons thereof, for example the SIDA silo project, purchase of new machinery, go-downs, etc.
6. Market Reports - Preparation of periodic market reports for the Executive Committee as well as publications for public use.
7. Statistics - Preparation of statistics of Board marketed crops, including past figures, annual estimates of production, actual purchases and sales, and projections into the future bearing in mind cyclical changes and the publishing of them in monthly and annual bulletins.

8. Supervision of three employees.
9. Related duties as assigned.

Qualifications:

Education:

A M.Sc. degree, or equivalent, in agricultural marketing is required. A M.Sc. degree, or equivalent, in economics or in business administration may be accepted if competence in agricultural marketing and market analysis is demonstrated.

Experience:

A minimum of six years progressively responsible experience in a non-government business firm (private or co-operative) engaged in buying and selling grain and other farm products is required. The experience may be in such senior positions as market analyst, marketing economist, foreign trade analyst, or a similar senior position. The experience should be in a firm engaged in purchasing farm products from farmers and/or farmer organizations, in selling farm products to domestic consumers and/or processors, and in export sales. Competence and ability in analysis of domestic and export markets for grain and other farm products and in assisting in the development of domestic and export sales programs must have been demonstrated. Some experience in a Government organization concerned with purchase and sale of farm products is desirable but not required. Some foreign experience is desirable but not required.

Other:

Ability and willingness to engage in frequent field travel is required.

Duty Station:

Dar es Salaam.

ORGANIZATION CHART -- NATIONAL AGRICULTURAL PRODUCTS BOARD

CHAIRMAN and EXECUTIVE COMMITTEE

GENERAL MANAGER

INTERNAL AUDITOR

BOARD ECONOMIST

Internal Auditing
Accounting Procedures

Statistics
Market Research
Crop Costings
Evaluation of Economic Viability of Projects
Market Reports

ASSISTANT
GENERAL
Manager

MARKETING MANAGER
MARKETING DEPT.

Primary Buying,
Main Agents,
Transfer & Stock,
Control Ledgers,
Stock Records,
Commodity Sales,
Imports & Exports,
Transport Claims,
Internal Crop
Movements,
Auctions

STORAGE MANAGER
STORAGE DEPT.

Planning & Con-
struction of
Storage Fumigation,
Pest Control, Grade
& Quality Control
Produce Inspection,
Illegal Marketing,
Handling & Drying
Equipment,
Maintenance &
Servicing of
Equipment,
Board Houses, etc.

SECRETARY
ADMINISTRATION DEPT.

Administrative Services &
Supplies, Medical & Super-
annuation Schemes, Staff
Regulations, Loans & Ad-
vances, Legal Matters,
Preparation & Following
of Board & other Meetings,
Board Reports, Milling &
Distributors Licenses,
Export & Import Licenses,
Maintainance of Adminis-
trative Stores & Assets

CHIEF ACCOUNTANT
ACCOUNTS DEPT.

Accounts,
Salaries,
Estimates,
Budgetary &
Financial Control,
General Insurance,
Financial Reports

PERSONNEL & PUBLIC
RELATIONS MANAGER

Personnel Matters,
Training,
Recruitment,
Conditions of Service,
Workers - Committee,
Public Relations,
Parliamentary
Questions,
Hospitality

Proj. No. 6210099
 PV

AID 1020-24 (10-69)

AGENCY FOR INTERNATIONAL DEVELOPMENT (A.I.D.)

PROJECT AUTHORIZATION

1. PROJECT NUMBER 621-11-150-099	3. COUNTRY Tanzania	4. AUTHORIZATION NUMBER 0179
2. PROJECT TITLE Agricultural Marketing Development		5. AUTHORIZATION DATE April 16, 1971
7. LIFE OF PROJECT		6. PROP DATED March 5, 1971

a. Number of Years of Funding: 9
 Starting FY 1971, Terminal FY 1979

b. Estimated Duration of Physical Work
 After Last Year of Funding (in Months): 12

FUNDING BY FISCAL YEAR (in U.S. \$ or \$ equivalent)	DOLLARS		P.L. 480 CCC + FREIGHT	LOCAL CURRENCY			
	GRANT	LOAN		Exchange Rate: \$1 =		HOST COUNTRY	
				GRANT	LOAN	JOINTLY PROGRAMMED	OTHER
Prior through Actual FY 1970							
Operational FY 1971	406						
Budget FY 1972	61						20
B + 1 FY 1973	254						44
B + 2 FY 1974	293						51
B + 3 FY 1975	243						43
All Subsequent FY's	605						119
TOTAL	1867						282

9. DESCRIBE SPECIAL FUNDING CONDITIONS OR RECOMMENDATIONS FOR IMPLEMENTATION, AND LIST KINDS AND QUANTITIES OF ANY P.L. 480 COMMODITIES

none

10. CONDITIONS OF APPROVAL OF PROJECT

A. The Director, USAID/Tanzania will determine the type of contract to be used for procurement of the AID-supplied technicians. The Director will discuss use of a host country contract with appropriate Tanzanian Government officials and will determine if a host country contract is or is not feasible. If the Director considers such a contract feasible, it is to be used. If he determines that a host country contract is not feasible, he will specify the type of contract to be used.

B. The details and terms of the \$48,000 housing grant-in-aid specified in Section VII, Other of the PROP will be submitted to AA/Africa for review and approval before incorporation in the final Project Agreement.

(Use continuation sheet if necessary)

11. Approved in substance for the life of the project as described in the PROP, subject to the conditions cited in Block 10 above, and the availability of funds. Detailed planning with cooperating country and drafting of implementation documents is authorized.

This authorization is contingent upon timely completion of the self-help and other conditions listed in the PROP or attached thereto.

This authorization will be reviewed at such time as the objectives, scope and nature of the project and/or the magnitudes and scheduling of any inputs or outputs deviate so significantly from the project as originally authorized as to warrant submission of a new or revised PROP.

A.I.D. APPROVAL	CLEARANCES	DATE
	AFR/EAF Jerry Knoll (draft)	4/9/71
	AFR/DF David Spear (draft)	4/9/71
	AFR/TAC T. B. Miller (draft)	4/9/71
AA AFR	AA/AFR PBIENBAUM	4/15/71
	A/CONT	

SIGNATURE

TITLE

DATE