

RS/PS

AID 1020-25 (7-68) PROJECT APPRAISAL REPORT (PAR) (U-446) See M.O. 1026.1 SECURITY CLASSIFICATION UNCLASSIFIED 001 PROJECT NUMBER 4890594-3 489-11-110-594 PD-ADD-421-01

002 PAR AS OF: MO. 0 DAY 0 YR. 0 003 U.S. OBLIGATION SPAN FY 0 1 Thru FY 7 2 004 PROJECT TITLE Rural Policy Planning and Development 008 COOPERATING COUNTRY - REGION: AID/W OFFICE Korea 22p.

006 FUNDING TABLE

AID DOLLAR FINANCING-OBLIGATIONS (\$000)	TOTAL	CONTRACT (NON-ADD)	PERSONNEL SERVICES			PARTICIPANTS		COMMODITIES		OTHER COSTS	
			AID	PASA	CONTRACT	DIR. PASA	CONTRACT	DIR. PASA	CONTRACT	DIR. PASA	CONTRACT
CUMULATIVE NET THRU ACTUAL YEAR (FY 1970 )	4,573	(440)	3,317	133	440	552		119		12	
PROPOSED OPERATIONAL YEAR (FY 1971 )	616	(37)	428	23	37	127				1	

CCC VALUE OF P.L. 480 COMMODITIES (\$000) → Thru Actual Year : Operational Year Program :

007 IMPLEMENTING AGENCY TABLE

If contractors or participating agencies are employed, enter the name and contract or PASA number of each in appropriate spaces below; in the case of voluntary agencies, enter name and registration number from M.O. 1551.1, Attachment A. Enter the appropriate descriptive code in columns b and c, using the coding guide provided below.

TYPE CODE b	TYPE CODE c	a. IMPLEMENTING AGENCY	TYPE CODE		d. CONTRACT/ PASA/ VOLAG NO.	e. LEAVE BLANK FOR AID/W USE
			b.	c.		
1. U.S. CONTRACTOR	0. PARTICIPATING AGENCY	See continuation sheet.				
2. LOCAL CONTRACTOR	1. UNIVERSITY	1. Duane Kinas - Mgt	1	6	AID/89-3-343	
3. THIRD COUNTRY CONTRACTOR	2. NON-PROFIT INSTITUTION	Adviser (Full time)				
4. PARTICIPATING AGENCY	3. ARCHITECTURAL & ENGINEERING	2. Herbert Fuchs- Mgt	1	6	AID/89-342	
5. VOLUNTARY AGENCY	4. CONSTRUCTION	(Full time) Adviser				
6. OTHER:	5. OTHER COMMERCIAL	3. 4 men Sector Analysis	4	0	EA (AJ) 18-70	
	6. INDIVIDUAL	team, USDA				
	7. OTHER:					

PART I - PROJECT IMPACT

I-A. GENERAL NARRATIVE STATEMENT ON PROJECT EFFECTIVENESS, SIGNIFICANCE & EFFICIENCY.

This summary narrative should begin with a brief (one or two paragraph) statement of the principal events in the history of the project since the last PAR. Following this should come a concise narrative statement which evaluates the overall efficiency, effectiveness and significance of the project from the standpoint of:

- (1) overall performance and effectiveness of project implementation in achieving stated project targets;
- (2) the contribution to achievement of sector and goal plans;
- (3) anticipated results compared to costs, i.e., efficiency in resource utilization;
- (4) the continued relevance, importance and significance of the project to country development and/or the furtherance of U.S. objectives.

Include in the above outline, as necessary and appropriate, significant remedial actions undertaken or planned. The narrative can best be done after the rest of PART I is completed. It should integrate the partial analyses in I-B and I-C into an overall balanced appraisal of the project's impact. The narrative can refer to other sections of the PAR which are pertinent. If the evaluation in the previous PAR has not significantly changed, or if the project is too new to have achieved significant results, this Part should so state.

008 NARRATIVE FOR PART I-A (Continue on form AID 1020-25 I as necessary):

See continuation sheet

MISSION DIRECTOR APPROVAL → SIGNATURE DATE Jan. 19, 1971

PRINTED 9-68

UNCLASSIFIED SECURITY CLASSIFICATION

AD/P: AGRenville

RDD: FC Jones

RDD: REMorrow

SECURITY CLASSIFICATION

UNCLASSIFIED

PROJECT NUMBER

489-11-110-594

## PAR CONTINUATION SHEET

This sheet is to be used for any Narrative Sections for which sufficient space has not been provided on the form. Identify each narrative by its Part and Section Designation.

Implementing Agency

	Type b	Code c	Contract or FASA No
4. L. Jay Atkinson-USDA income consultant	4	0	PASA-EA (AJ) 90-70 489-594-90043
5. Paul Swarthout-USDA land use consultant	4	0	PASA-EA (AJ) 15-69 489-594-90064
6. George Tolley - price policy consultant individual contract	1	6	AID/EA-109
7. Dunlap Associates - feasibility analysis training	1	5	AID/EA-48
8. Robert Randolph - GSA equipment specification consultant	4	0	PASA-EA(GA) 33-70 489-594-2-00061

UNCLASSIFIED

SECURITY CLASSIFICATION

## PAR CONTINUATION SHEET

This sheet is to be used for any Narrative Sections for which sufficient space has not been provided on the form. Identify each narrative by its Part and Section Designation.

Continuation sheet - PART I. I A, 008

1. Overall Performance

This is the initial PAR on this project which began in 1964. Prior to 1964 there had been considerable effort, with U.S. assistance, in establishing the basic agricultural institutions such as extension and research services, credit and farm supply facilities and land and water development agencies. The major efforts since 1964 have been to: (1) develop project implementation capability at the provincial level; (2) expand and improve agricultural research capability; and (3) expand the horticultural research and program implementing capability.

More recently the project has also begun to focus attention on: (1) development of better planning, economic research and policy formulation abilities in key national agencies; and (2) development of a recognition for the need to expand agri-business activities.

While Korea remains a food deficit country due to its extremely high man-to-cultivated-land ratio, (13 persons per cultivated hectare) and farm incomes are relatively low compared to urban incomes (because of the small scale farm enterprises), the overall performance of the project has been excellent. Major targets in institutional building, improvement in project implementation ability and improvement in research on field crops and horticultural products, have been achieved on, or ahead of, schedule. In addition to the output figures indicated in Part I-B, the project has contributed to the following achievements since 1964.

A. Agriculture Research

- (1) Crop breeders have been trained and variety development encouraged. Rice crosses of IRRI varieties and Japanese and Taiwan varieties are currently being tested in several experimental locations.
- (2) Active research programs on double cropping and inter-cropping of rice and upland crops have been established.
- (3) Selection and segregation of wheat, corn, sorghum and soybean varieties from the U.S. Mexico, India and Japan have been initiated.
- (4) The Agricultural Economic Research Institute has been established and is in operation.

B. Horticultural Activities

- (1) A wide variety of superior vegetable seed from abroad has been introduced.
- (2) Advisors have helped establish and have provided technical assistance to 36 inspected vegetable producing farms which increased their sales to the U.S. military from  $\frac{1}{2}$  million dollars in 1964 to \$1.8 million by 1969. These efforts have also had wide demonstration effects on other small producers.

UNCLASSIFIED

SECURITY CLASSIFICATION

SECURITY CLASSIFICATION  
UNCLASSIFIEDPROJECT NUMBER  
489-11-110-594

## PAR CONTINUATION SHEET

This sheet is to be used for any Narrative Sections for which sufficient space has not been provided on the form. Identify each narrative by its Part and Section Designation.

- (3) Off-season production techniques of using plastic covered growing sheds have been introduced. Off-season production of celery, lettuce, cucumbers, squash and tomatoes is now a very big business.
- (4) Commercial vegetable seed farms have been established, making Korea self sufficient in vegetable seeds. Annual production is about 815 metric tons.
- (5) A job training program for college students at the National Horticulture Experiment Station (NHES) has been set up.
- (6) Technicians have helped develop a new organizational plan which resulted in establishment of the NHES which formerly consisted of separate units at separate sites for pomology and vegetables, and included a general horticulture station near Seoul.
- (7) Advisors have assisted the Koreans in introducing 426 new fruit tree varieties from the U.S. Japan and England and in developing a research program to determine means to produce more and better fruit per hectare and per tree.

C. Provincial Project Implementation

- (1) Advisors have assisted Provincial Governments to better coordinate development efforts through use of committees for specific activities such as food-for-work projects. An ROKG position for a full-time planning coordinator now exists for each province to help develop overall development plans.
- (2) The Provincial Office of Rural Development (PORO) has been strengthened by USAID assistance in training guidance and research workers. Major efforts have been made to develop programs which have resulted in increased use of non-farm inputs. For example, from 1964-69 fertilizer applications rose from 371,762 metric tons to 530,000 metric tons. USAID advisors have also supplied help in the form of plant materials and assistance in preparation of adaptive research designs.
- (3) Considerable effort has been spent on training project managers in the selection of food-for-work projects and in general management of this program. Output figures in Part I, B on irrigation and land development and on paddy rearrangement reflect some of the results of this effort.
- (4) Korea has little experience in modern livestock management yet is moving forward with both government and private sector programs. Provincial Advisors have provided extensive advice on forage and pasture development, building design and management and feeding practices.

UNCLASSIFIED

SECURITY CLASSIFICATION

## PAR CONTINUATION SHEET

This sheet is to be used for any Narrative Sections for which sufficient space has not been provided on the form. Identify each narrative by its Part and Section Designation.

D. Agri-business Activities

- (1) The project has provided full-time management and marketing consultant services to the Agriculture and Fisheries Development Corporation (AFDC), a government capitalized holding company which has twenty-two independently organized subsidiary firms which produce and process agriculture products or service food related industries. Specific services performed by the consultants were:
- (a) Detailed management studies of three firms which resulted in seventeen major recommendations of which nine were implemented, six partially accepted and the remaining two are being considered.
  - (b) Detailed marketing analysis of three firms resulting in sixteen major recommendations of which eight were accepted and seven were partially accepted and one recommendation was agreed to in principle but no action as yet has been taken.
  - (c) In addition to making recommendations to specific firms, the consultants assisted in developing the subsidiary management division of AFDC into a unit better-equipped to perform management and marketing analysis for member firms. The division had been previously oriented to more limited technical assistance.
- (2) Through the AFDC and its subsidiary firms, the project horticultural advisor has been instrumental in building effective linkages between the horticultural research station, seed farms and commercial producers and exporters of a wide variety of vegetables and fruits. The following items are now being commercially processed: asparagus, strawberries, green beans, pickling cucumbers, okra, pear onions, sweet corn, tomatoes, brussel sprouts, broccoli, green peas, raspberries, blackberries, apples, peaches, grapes, mushrooms, and persimmons.

E. Training for Research and Extension Staff

In 1969 USAID phased out its advisory service to the National Training Institute for Agriculture and Forestry Officials. USAID had contributed funds for the construction of this institute and had furnished advisory services since the beginning of the project.

In 1969 the institute offered 17 specialized courses for 1,951 persons. Five years ago only eight courses were offered. The staff has the competence to develop courses as required by the rapidly changing agricultural situation. ROKG's operational plan for CY 1970 calls for conducting 21 different training courses (11 of which are different from those offered in 1969) for 2,316 persons.

UNCLASSIFIED

SECURITY CLASSIFICATION  
UNCLASSIFIEDPROJECT NUMBER  
489-11-110-594

## PAR CONTINUATION SHEET

This sheet is to be used for any Narrative Sections for which sufficient space has not been provided on the form. Identify each narrative by its Part and Section Designation.

The development of this institution represents an excellent example of technical assistance objectives being met with limited external assistance. Short-term consultant services will now suffice to advise on the operation of this institution during the final year of U.S. technical assistance.

## 2. CONTRIBUTION TO ACHIEVEMENT OF SECTOR AND GOAL PLANS

Over its life this project has made substantial contributions to the achievement of sector and goal plans. It has affected several facets of the agricultural sector and is a major contributor to national goals. Specifically since the beginning of 1964, food production has increased nearly 30 percent, agricultural development planning and policy formulation capabilities of the ROKG have been strengthened, rural incomes have risen and the fishery industry has grown.

During the sixties agriculture grew at an annual compound rate of 4.2% per year. While this was lower than growth in the industrial sector, it is a reasonable rate for agriculture considering that rice yields per hectare are the third highest in the world (among major producers) and that virtually all arable land was already in intensive use at the beginning of the project.

From 1964 to 1969 average farm household income rose from ¥125,692 to ¥217,874. During this same period total fish catch increased from 599,800 metric tons to 862,800 metric tons. This ability to achieve production increases in spite of environmental restrictions demonstrates the improved planning and execution of agricultural development policies and programs.

Because of increases in incomes, reflecting in part productivity increases, and because of domestic agricultural development and food management (import) programs, the urban consumer now spends about 40% of his total expenditures on food versus about 57% in 1965. This shift in the structure of expenditures is crucial for continued industrialization as it opens the market for a wider variety of industrial and food products. In addition to its contribution in agricultural products the agricultural sector uses increasingly smaller proportions of the nation's labor force. In 1964 about 56% of the total population was employed on farms while today it is less than 50%. Further the farm population has dropped in numbers the past two years. Thus increases in both labor and land productivity are contributing to national growth.

## 3. ANTICIPATED RESULTS COMPARED TO COSTS

This project primarily consists of technical advisory services and participant training, thus its costs are low relative to a project with a large commodity component. It is impossible to calculate benefit/cost ratios for the project but its total cost of 4.6 million dollars from FY 1964 through FY 1970 compared to a

UNCLASSIFIED

SECURITY CLASSIFICATION  
UNCLASSIFIEDPROJECT NUMBER  
489-11-110-594

## PAR CONTINUATION SHEET

This sheet is to be used for any Narrative Sections for which sufficient space has not been provided on the form. Identify each narrative by its Part and Section Designation.

real increase in the value added (GNP) in the agricultural sector of 187 million dollars indicates that the project would have to have only small effects on the agricultural economy to have<sup>had</sup> a positive pay off.

4. CONTINUED RELEVANCE

The project is and will continue to be relevant, important and significant to the development of Korea and to U.S. objectives in Korea. Despite the satisfactory growth in agricultural production, Korea is still a food deficit country. Considerable amounts of foreign exchange are required each year for the importation of food commodities. Reducing the gap between production and consumption or keeping it at a minimum relieving the pressure on foreign exchange, is an important task of the agricultural sector and one which this project addresses.

Agricultural incomes also remain lower than non-farm incomes due in part to the limited scale of farm enterprises. With approximately half the total national population in the rural sector it is of continued importance to develop improved price, income and production policies for the rural sector which are also amenable to the urban sector. As both urban and rural incomes increase there will be a greater demand for a larger variety of food products. This will in turn require more refined planning, production and marketing improvements.

As indicated the Korean agricultural sector has achieved considerable progress in implementing programs once a course was set. Continued assistance is needed in development of better planning and policy formulation. It is in this area that the project will concentrate its future efforts.

In summary, it is highly relevant to both U.S. and Korean interests that the agricultural sector continue to develop and make further contributions to achieving balanced growth in Korea.

UNCLASSIFIED

UNCLASSIFIED

PROJECT NUMBER

489-11-110-594

009

PART I-B - PROJECT EFFECTIVENESS

I-B-1 - OUTPUT REPORT AND FORECAST - (See detailed instructions)

1. CODE NO. AID/W USE. ONLY	2. This section is designed to record progress toward the achievement of each project output target which was scheduled in the PIP, Part II. Where progress toward a target is significantly greater or less than scheduled, describe reason(s) beneath the target.	3. ACTUAL AND PLANNED OUTPUTS (SEE DETAILED INSTRUCTIONS)				6. PROJECTED TOTAL FOR PROJECT LIFE 6/30/72
		3. 1964/69 ACTUAL CUM. TO DATE	4. AS OF PRIOR 1/ JUNE 1970		5. PLANNED BY NEXT JUNE 1971	
			a. PLANNED	b. ACTUAL		
I.	<u>Food Production</u>					
A.	Develop new productive land (ha.) (Additional tide land reclamation was accomplished)	129,694	5,000	8,977	11,324	153,681
B.	Rearrange paddy land (ha.) (increasing costs have resulted in reduction of planned work)	103,516	13,465	14,905	23,230	176,746
C.	Improve irrigation or establish new facilities (ha.)	535,966	97,700	83,605	92,000	627,966
D.	Convert low productivity paddy land to upland crops (ha)	3,142	0	3,142	21,504	30,443
E.	Direct seeding of rice (ha.)	160,063	80,000	51,000	94,500	94,500 (annually)
F.	Rice and Barley self-sufficiency by FY 1976 (Does not include amount for stockpiles. Lower estimates by year from PIP reflect the more rapid than expected growth of demand. Barley self-sufficiency has 80% been achieved.)	(1969)	90%	86%	90%	90%
G.	Annually supply 700,000 MT of fertilizer by CY 1971 (the original plan of 38% increase 69/68, was over-ambitious, considered satisfactory).	2,081,320	663,083	530,000	610,000	To be determined
H.	Supply 1,500,000 MT of agricultural limestone annually by CY 1975. (A portion of the 1969 target was not delivered until the first quarter of 1970. The increasing cost of lime makes it unlikely that 1975 target will be met)	1,269,800	395,000	283,907	451,758	500,000
I.	Establish a contractual relationship with a U.S. University to enhance the agricultural research and graduate training capacity of OKD and SNU. 1/ Korean funding and crop years do not correspond to U.S. Fiscal Years. Outputs given refer to targets 2/ Balance of work to be completed under a new project.	5%	4%	4%	25%	50% 2/



UNCLASSIFIED

PROJECT NUMBER

489-11-110-594

009

## PART I-B - PROJECT EFFECTIVENESS

## I-B-1 - OUTPUT REPORT AND FORECAST - (See detailed instructions)

1. CODE NO. AID/W USE ONLY	2. This section is designed to record progress toward the achievement of each project output target which was scheduled in the PIP, Part II. Where progress toward a target is significantly greater or less than scheduled describe reason(s) beneath the target.	ACTUAL AND PLANNED OUTPUTS (ALL DATA CUMULATIVE)				6. PROJECTED TOTAL FOR PROJECT LIFE
		3 1964/69 ACTUAL CUM. TO DATE	4. AS OF PRIOR <del>PERIOD</del> Jan 1, 1970		5. PLANNED BY NEXT <del>PERIOD</del> Jan 1, 1971	
			a. PLANNED	b. ACTUAL		
	II. Strengthen Planning and Policy Formation Capability through: <ul style="list-style-type: none"> <li>(A) Consolidation of scattered administration of agricultural statistical, economic and planning activities into a functional unit in Ministry of Agriculture and Forestry.</li> <li>(B) Expand the Agriculture Economic Research Institute from two divisions (farm management and marketing) to five divisions which would then include a land and water division, an agriculture policy division and rural sociology division.</li> <li>(C) Develop planning capacity to include; multi-year planning, feasibility analyses, food balance analyses, and a system for determining problems as expressed by farmers.</li> </ul>	35%	30%	30%	30%	65% <sup>1/</sup>
	(B) Expand the Agriculture Economic Research Institute from two divisions (farm management and marketing) to five divisions which would then include a land and water division, an agriculture policy division and rural sociology division. <p>(Two new divisions were established in FY 1970, staffing and training remain to be accomplished.)</p>	60%	20%	20%	20%	80% <sup>1/</sup>
	(C) Develop planning capacity to include; multi-year planning, feasibility analyses, food balance analyses, and a system for determining problems as expressed by farmers. <p>(The planning coordinators staff was significantly expanded in FY 1970.)</p>	50%	10%	20%	10%	70% <sup>1/</sup>
	III. Establish policy and programs for increasing farm income through: <ul style="list-style-type: none"> <li>(A) Development of income, price and investment policy, including sector growth targets.</li> <li>(B) Assist the ROKG holding corporation which supports agri-business to establish central services for:               <ul style="list-style-type: none"> <li>(1) marketing analysis</li> <li>(2) financial and management analysis</li> <li>(3) food processing engineering<sup>2/</sup></li> </ul> </li> </ul>	40%	30%	30%	10%	60% <sup>1/</sup>
	(B) Assist the ROKG holding corporation which supports agri-business to establish central services for: <ul style="list-style-type: none"> <li>(1) marketing analysis</li> <li>(2) financial and management analysis</li> <li>(3) food processing engineering<sup>2/</sup></li> </ul>	40%	40%	40%	40%	80% <sup>1/</sup>
	(B) Assist the ROKG holding corporation which supports agri-business to establish central services for: <ul style="list-style-type: none"> <li>(1) marketing analysis</li> <li>(2) financial and management analysis</li> <li>(3) food processing engineering<sup>2/</sup></li> </ul>	40%	40%	40%	40%	80%
	(B) Assist the ROKG holding corporation which supports agri-business to establish central services for: <ul style="list-style-type: none"> <li>(1) marketing analysis</li> <li>(2) financial and management analysis</li> <li>(3) food processing engineering<sup>2/</sup></li> </ul>	0%	5%	0	40%	45%
	<sup>1/</sup> work to be completed under a new project <sup>2/</sup> The recruitment of a food processing advisor was delayed and finally turned over to Asia Foundation; he arrived in FY 1971.					

UNCLASSIFIED

PART I-B - PROJECT EFFECTIVENESS

009 I-B-1 -- OUTPUT REPORT AND FORECAST -- (See detailed instructions)

1. CODE NO. AID/W USE ONLY	2. This section is designed to record progress toward the achievement of each project output target which was scheduled in the PIP, Part II. Where progress toward a target is significantly greater or less than scheduled, describe reason(s) beneath the target.	ACTUAL AND PLANNED OUTPUTS (ALL DATA CUMULATIVE)				
		3. ACTUAL CUM. TO DATE	4. AS OF PRIOR PERIOD		5. PLANNED BY NEXT PERIOD	6. PROJECTED TOTAL FOR PROJECT LIFE
			a. PLANNED	b. ACTUAL		
	IV. Targets in the fisheries sector are:	1964/69	AS OF PRIOR PERIOD Jan 1, 1970			
	(A) To expand annual production of marine products for both domestic consumption and export.	1968 <sup>1/</sup>	1969	1970	1971	
	(B) Develop ports, landing facilities and other marketing facilities to reduce spoilage of fisheries products.	852,300	1,073,000 <sup>2/</sup>	862,783	910,300 <sup>3/</sup>	
	(C) Identify loan opportunities in the fisheries sector for both private and public investments.				963,300 <sup>3/</sup>	
	(D) Further develop aqua-culture production for the domestic and export market, (specific targets to be developed in the TFYP).	114,100	unavailable	86,436	104,700 <sup>3/</sup>	
	<sup>1/</sup> Output figures in PIP were preliminary estimates which proved to be too high, figures listed are published data from official sources.		(annually)	(1969)	(1970)	
	<sup>2/</sup> From Second Five-Year Plan, January 1967.				(1971)	
	<sup>3/</sup> Revised goals per preliminary draft of Third Five-Year Plan.					

SECURITY CLASSIFICATION

UNCLASSIFIED

PROJECT NUMBER

489-11-110-594

## PAR CONTINUATION SHEET

This sheet is to be used for any Narrative Sections for which sufficient space has not been provided on the form. Identify each narrative by its Part and Section Designation.

policy and a number of other variables. Prices paid are determined by wage, price and income policy in the non-farm sector.

Because of the number of factors external to the project and conflicting claims on national income, farm income has not risen as fast as non-farm income. The ROKG is committed however, to a policy of increasing rural income. A major task remains in developing policy to achieve this goal rationally.

(4) The limited land resources inhibit a rapid expansion of the livestock industry to supply sufficient protein. Recognition of this fact is leading to a larger ROKG emphasis on fisheries and aqua-culture as well as livestock programs. The Third-Five-Year Plan (preliminary) provides for sizeable investments to meet the larger targets.

UNCLASSIFIED

SECURITY CLASSIFICATION

UNCLASSIFIED

PROJECT NUMBER

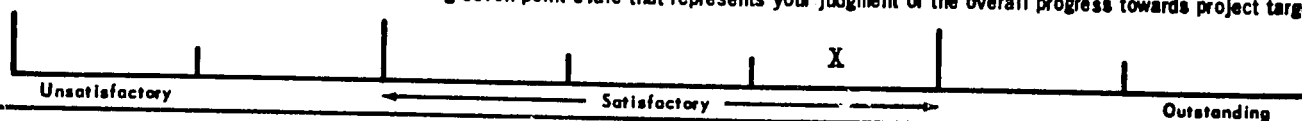
489-11-110-594

## PART I-B - Continued

010

## B.2 - OVERALL ACHIEVEMENT OF PROJECT TARGETS

Place an "X" within the bracket on the following seven-point scale that represents your judgment of the overall progress towards project targets:



## PART I-C - PROJECT SIGNIFICANCE

011

## C.1 - RELATION TO SECTOR AND PROGRAM GOALS (See detailed instructions M.O. 1026.1)

This section is designed to indicate the potential and actual impact of the project on relevant sector and program goals. List the goals in col. b and rate potential and actual project impact in cols. c and d.

a. CODE NO. (AID/W USE ONLY)	SCALE FOR COLUMN c: 3= Very Important; 2= Important; 1= Secondary Importance SCALE FOR COLUMN d: 3= Superior/Outstanding; 2= Adequate/Satisfactory/Good; 1= Unsatisfactory/Marginal	c. POTENTIAL IMPACT ON EACH GOAL IF PROJECT ACHIEVES TARGETS	d. ACTUAL IMPACT ON GOAL TO DATE RELATIVE TO PROGRESS EXPECTED AT THIS STAGE
b.	SECTOR AND PROGRAM GOALS (LIST ONLY THOSE ON WHICH THE PROJECT HAS A SIGNIFICANT EFFECT)		
(1)	Increasing food production	3	3
(2)	Strengthening agriculture planning and policy formulation capabilities	3	2
(3)	Increasing rural incomes	3	2
(4)	Development of viable fisheries and aqua-culture enterprises	3	2

For goals where column c. is rated 3 or 2 and column d. is rated 1, explain in the space for narrative. The narrative should also indicate the extent to which the potential impacts rated 3 or 2 in column c. are dependent on factors external to the achievement of the project targets, i.e., is there a substantial risk of the anticipated impact being forestalled by factors not involved in the achievement of project targets. If possible and relevant, it also would be useful to mention in the narrative your reading of any current indicators that longer-term purposes, beyond scheduled project targets, are likely or unlikely to be achieved. Each explanatory note must be identified by the number of the entry (col. b) to which it pertains.

012 NARRATIVE FOR PART I-C.1 (Continue on form AID 1020-25 I):

(1). Food grain self-sufficiency has been a major target of Korean agricultural policy. Abnormally bad weather conditions in 1967 and 1968 which reduced crop production and made necessary large imports of food grains aroused even more concern for this goal. Thus it appears that continued intensive ROKG efforts can be expected. Recent evidence is provided by the raising of farm rice prices to stimulate production. USAID's role as USAID field personnel and technical advisors are phased out will be through policy and program development assistance.

(3) Because the goals of the project are quite general and very broad, the success, or even partial success, of the project will have a significant effect on the national economy and well-being of both the farm and non-farm population. It is equally clear that the inputs from the project, while important, are not the major determinants of food production or farm income; for example, income is a function of production, productivity, prices received and paid, import

UNCLASSIFIED

SECURITY CLASSIFICATION

UNCLASSIFIED

489-11-110-594

## PART I-C - Continued

## C.2 - GENERAL QUESTIONS

These questions concern developments since the prior PAR. For each question place "Y" for Yes, "N" for No, or "NA" for Not Applicable in the right hand column. For each question where "Y" is entered, explain briefly in the space below the table.	MARK IN THIS COL.
013 Have there been any significant, unusual or unanticipated results not covered so far in this PAR?	Y
014 Have means, conditions or activities other than project measures had a substantial effect on project output or accomplishments?	Y
015 Have any problems arisen as the result of advice or action or major contributions to the project by another donor?	N
016 If the answer to 014 or 015 is yes, or for any other reason, is the project now less necessary, unnecessary or subject to modification or earlier termination?	Y
017 Have any important lessons, positive or negative, emerged which might have broad applicability?	Y
018 Has this project revealed any requirement for research or new technical aids on which AID/W should take the initiative?	Y
019 Do any aspects of the project lend themselves to publicity in newspapers, magazines, television or films in the United States?	Y
020 Has there been a lack of effective cooperating country media coverage? (Make sure AID/W has copies of existing coverage.)	N

021 NARRATIVE FOR PART I-C.2 Identify each explanatory note by the number of the entry to which it pertains. (Continue on form AID 1020-25 if as necessary):

- 013 The ability of the ROKG to execute field programs has been better than anticipated. This has led to a decision to phase out the field advisors more rapidly than originally planned. The concentrated programs on disease prevention in rice production and the sharp increases in fertilizer use and the use of credit to support the programs are evidence to support this contention.
- 014 The droughts of 1967 and 1968 lowered agriculture output. They also brought increased concern for agricultural development which is a general objective of the project.
- 016 The ability to execute programs is well demonstrated. The ability to form proper policy and select programs is less well demonstrated; therefore, future activities will focus on developing this capability.
- 017 Forceful leadership exists at all levels in Korea and this appears to be a significant factor in development. A genuine desire for progress is evident among the general public as well.
- 018 AID's and other development institutions' experience in Korea and in other countries reveals the need for improved research management and policy formation.
- 019 The rapid development of a wide variety of horticulture products and the commercialization of these crops, as well as very high rice yields, are both noteworthy.

Note: The above statements refer to the life of the project to date, 1964-1970, and not to the output report Part I, B or to Part II A, status of schedule. Those parts refer to the narrowly focused FY 1970 PIP only.

UNCLASSIFIED

UNCLASSIFIED

489-11-110-594

## PART II - IMPLEMENTATION REPORT

## II-A - STATUS OF SCHEDULE

022 A-1 - INDIVIDUAL ACTIONS (See detailed instructions M.O. 1026.1). This is a listing of major actions or steps which were scheduled for physical start or continuing implementation in the reporting period as reflected in the Project Implementation Plan, Part I.

(a)		(b) STATUS - PLACE AN "X" IN, ONE COLUMN		
		(1) BEHIND SCHEDULE	(2) ON SCHEDULE	(3) AHEAD OF SCHEDULE
PIP ITEM NO.	MAJOR ACTIONS OR STEPS; CAUSES AND RESULTS OF DELAYS; REMEDIAL STEPS			
1.	Preparation of plans and documentation (PRO/AG, PIO/T, PIO/P, PAR, Loan Papers and Contracts) to authorize the following major actions:		X	
2.	Provide advisory services at the national level of government to identify key policy issues, problem areas and development opportunities through: <ul style="list-style-type: none"> <li>A. <u>Direct Hire Advisors (Senior Agriculture Advisors and Agricultural Economists)</u></li> <li>B. <u>Contract Consultants (Income, Price, Land Use and Development Policy)</u></li> <li>C. <u>Agriculture Sector Analysis Team</u></li> </ul>		X	
		X		
	The time period scheduled for the sector team's analysis was too short.			
3.	Provide advisory services to provincial governments and provincial offices of national agencies concerned with rural development and agriculture production. (Six Provincial Rural Development Officers)			X
	Field Advisors will be phased out in FY'72 rather than FY'73.			
4.	Provide technical advisory services to the Agriculture Fisheries Development Corporation (agri-business development) through: <ul style="list-style-type: none"> <li>A. <u>Direct Hire (Horticulturist)</u></li> <li>B. Two personal service contracts, (Marketing and Management)</li> <li>C. <u>Asia Foundation Contract (One food processing advisor, ten participants and three short-term consultants)</u></li> </ul>		X	
		X		
	Work commenced in FY 71 rather than FY 70, and as an AID/W task order rather than Mission activity.			

UNCLASSIFIED

SECURITY CLASSIFICATION

UNCLASSIFIED

PROJECT NUMBER

489-11-110-594

## PART II - IMPLEMENTATION REPORT

## II-A - STATUS OF SCHEDULE

022 A-1 - INDIVIDUAL ACTIONS (See detailed instructions M.O. 1026.1). This is a listing of major actions or steps which were scheduled for physical start or continuing implementation in the reporting period as reflected in the Project Implementation Plan, Part I.

(a) PIP ITEM NO.	MAJOR ACTIONS OR STEPS; CAUSES AND RESULTS OF DELAYS; REMEDIAL STEPS	(b) STATUS - PLACE AN "X" IN, ONE COLUMN		
		(1) BEHIND SCHEDULE	(2) ON SCHEDULE	(3) AHEAD OF SCHEDULE
5.	Provide technical advice and assistance to the Office of Rural Development (ORD) (extension and agriculture research) and the Seoul National University (graduate training in agriculture) through:  A. <u>Direct hire agricultural advisor</u>  B. <u>Short-term direct hire consultant (Agricultural research)</u>  C. <u>Pre-contract survey of technical assistance needs of ORD/SNU</u>  D. <u>University to SNU/ORD contract for technical assistance</u>		X   X  X  X	
				X Final scope of work still under review.
6.	Provide policy advisory services to the Office of Fisheries for the development of fisheries sub-sector. (Sr. Fisheries Advisor).		X	
7.	Provide project feasibility analysis training to ROKG officials. (Dunlap and associates).  A. First phase of training  B. Preparation of manual on feasibility analysis  C. Second phase of training		X  X  X	
8.	Provide technical assistance and economic analysis in the preparation of ROKG agricultural project loan applications and in monitoring the use of loan funds.  A. <u>Loan applications</u>  B. <u>Monitoring use of loan funds</u>		X  X  X	
				funds not yet spent

UNCLASSIFIED

UNCLASSIFIED

489-11-110-594

## PART II - IMPLEMENTATION REPORT

## II-A - STATUS OF SCHEDULE

022 A-1 - INDIVIDUAL ACTIONS (See detailed instructions M.O. 1026.1). This is a listing of major actions or steps which were scheduled for physical start or continuing implementation in the reporting period as reflected in the Project Implementation Plan, Part I.

(a) PIP ITEM NO.	MAJOR ACTIONS OR STEPS; CAUSES AND RESULTS OF DELAYS; REMEDIAL STEPS	(b) STATUS - PLACE AN "X" IN, ONE COLUMN		
		(1) BEHIND SCHEDULE	(2) ON SCHEDULE	(3) AHEAD OF SCHEDULE
9	<p>Analysis of demand and supply situation for food and feed grains for:</p> <p>A. <u>Determination of levels of PL 480 assistance required</u></p> <p>B. <u>Determination of areas of short-falls in local production and needs for self-help actions and for programming uses for local currency generations.</u></p>		X	
10	<p>Sponsor and provide advisory assistance on the following types of operational research relevant to agriculture development:</p> <p>A. <u>Livestock Policy for Korea</u></p> <p>B. <u>Evaluation of Local Cooperatives (Factors for Success or Failure)</u></p> <p>C. <u>Determination of capital, credit, physical inputs and marketing requirements for the agriculture sector in the Third Five-Year Plan Period</u></p> <p>D. <u>Follow up research for revisions of TFYP and for latter half of 1970's</u></p>		X	
		X	See 2C	this section
			X	

UNCLASSIFIED



PART II - Continued

023

II-A.2 - OVERALL TIMELINESS

In general, project implementation is (place an "X" in one block):

BLOCK (c): If marked, place an "X" in any of the blocks one thru eight that apply. This is limited to key aspects of implementation, e.g., timely delivery of commodities, return of participants to assume their project responsibilities, cooperating country funding, arrival of technicians.

(a) On schedule	X
(b) Ahead of schedule	
(c) Behind schedule	
(1) AID/W Program Approval	
(2) Implementing Agency (Contractor/Participating Agency/Voluntary Agency)	
(3) Technicians	
(4) Participants	
(5) Commodities (non-FFF)	
(6) Cooperating Country	
(7) Commodities (FFF)	
(8) Other (specify):	

II-B - RESOURCE INPUTS

This section appraises the effectiveness of U.S. resource inputs. There follow illustrative lists of factors, grouped under Implementing Agency, Participant Training and Commodities, that might influence the effectiveness of each of these types of project resources. In the blocks after only those factors which significantly affect project accomplishments, write the letter P if effect is positive or satisfactory, or the letter N if effect is negative or less than satisfactory.

1. FACTORS-IMPLEMENTING AGENCY (Contract/Participating Agency/Voluntary Agency)

024 IF NO IMPLEMENTING AGENCY IN THIS PROJECT. PLACE AN "X" IN THIS BLOCK:		032 Quality, comprehensiveness and candor of required reports	P
		033 Promptness of required reports	P
025 Adequacy of technical knowledge	P	034 Adherence to work schedule	P
026 Understanding of project purposes	P	035 Working relations with Americans	P
027 Project planning and management	P	036 Working relations with cooperating country nationals	P
028 Ability to adapt technical knowledge to local situation	P	037 Adaptation to local working and living environment	P
029 Effective use of participant training element	P	038 Home office backstopping and substantive interest	P
030 Ability to train and utilize local staff	P	039 Timely recruiting of qualified technicians	P
031 Adherence to AID administrative and other requirements	P	040 Other (describe):	

2. FACTORS-PARTICIPANT TRAINING

041 IF NO PARTICIPANT ELEMENT IN PROJECT. PLACE AN "X" IN THIS BLOCK:		TRAINING UTILIZATION AND FOLLOW UP	
		052 Appropriateness of original selection	
PREDEPARTURE	P	053 Relevance of training for present project purposes	P
042 English language ability			
043 Availability of host country funding	P	054 Appropriateness of post-training placement	P
044 Host country operational considerations (e.g., selection procedures)	P	055 Utility of training regardless of changes in project	P
045 Technical/professional qualifications	P	056 Ability to get meritorious ideas accepted by supervisors	P
046 Quality of technical orientation	P	057 Adequacy of performance	P
047 Quality of general orientation	P	058 Continuance on project	P
048 Participants' collaboration in planning content of program	P	059 Availability of necessary facilities and equipment	P
049 Collaboration by participants' supervisors in planning training	P	060 Mission or contractor follow-up activity	P
050 Participants' availability for training	P	061 Other (describe):	
051 Other (describe):			

SECURITY CLASSIFICATION

UNCLASSIFIED

PROJECT NUMBER

489-11-110-594

## PART II-B - Continued

## 3. FACTORS-COMMODITIES

PLACE AN "X" IN APPROPRIATE BLOCK:	062 FFF	063 NON-FFF	X	064 NO COMMODITY ELEMENT			
065 Timeliness of AID/W program approval (i.e., PIO/C, Transfer Authorization).					P	072 Control measures against damage and deterioration in shipment.	P
066 Quality of commodities, adherence to specifications, marking.					P	073 Control measures against deterioration in storage.	P
067 Timeliness in procurement or reconditioning.					P	074 Readiness and availability of facilities.	P
068 Timeliness of shipment to port of entry.					P	075 Appropriateness of use of commodities.	P
069 Adequacy of port and inland storage facilities.					P	076 Maintenance and spares support.	P
070 Timeliness of shipment from port to site.					P	077 Adequacy of property records, accounting and controls.	P
071 Control measures against loss and theft.					P	078 Other (Describe):	

Indicate in a concise narrative statement (under the heading a. Overall Implementation Performance, below) your summary appraisal of the status of project implementation, covering both significant achievements and problem areas. This should include any comments about the adequacy of provision of direct hire technicians as well as an overall appraisal of the comments provided under the three headings (b, c & d) which follow. For projects which include a dollar input for generation of local currency to meet local cost requirements, indicate the status of that input (see Detailed Instructions).

Discuss separately (under separate headings b, c & d) the status of Implementing Agency Actions, Participants and Commodities. Where above listed factors are causing significant problems (marked N), describe briefly in the appropriate narrative section: (1) the cause and source of the problem, (2) the consequences of not correcting it, and (3) what corrective action has been taken, called for, or planned by the Mission. Identify each factor discussed by its number.

079 NARRATIVE FOR PART II-B: (After narrative section a. Overall Implementation Performance, below, follow, on form AID 1020-25 I as needed, with the following narrative section headings: b. Implementing Agency, c. Participants, d. Commodities. List all narrative section headings in order. For any headings which are not applicable, mark them as such and follow immediately below with the next narrative section heading.)

a. Overall Implementation Performance.

The overall implementation performance of this project has been positive. Most targets have been achieved on schedule with no serious lags in implementation evident. Well qualified technical advisors-direct-hire, contract and PASA - have been provided, as programmed, in adequate numbers to meet project objectives. Suitable participants have been available for training and have returned to occupy responsible positions. The limited commodities procured have been put to effective use.

b. Implementing Agency

While the majority of the assistance has been provided by direct-hire advisors, the individual and institutional contracts have also proven satisfactory. Technicians have been of good quality and have fulfilled the conditions of their contracts in helping achieve contract objectives. A recent example is the Dunlap Contract which turned out a very useful guidebook on how to prepare feasibility analysis for agricultural projects. In general, the reports written, the training provided and the on-the-job physical accomplishments of the contractors have resulted in significant positive changes in the areas assisted.

The PASA arrangements have also been generally satisfactory. Personnel provided for this project have proved to be technically well qualified and have made sizeable contributions to achievement of sector and goal plans. Although there was some confusion at the beginning of the recent sector analysis team's assignment as to the actual work to be conducted, valuable work was accomplished. The consultants on agricultural income and land use provided advice and reports which contributed to the achievement of project goals. While funded under this project, the assignment of the GSA equipment specialist pertained to the agricultural project loan which was authorized in FY 1970 rather than to this TA project.

SECURITY CLASSIFICATION  
UNCLASSIFIEDPROJECT NUMBER  
489-11-110-594

## PAR CONTINUATION SHEET

This sheet is to be used for any Narrative Sections for which sufficient space has not been provided on the form. Identify each narrative by its Part and Section Designation.

c. Participants

The project has funded training in the U.S., the Philippines, Taiwan and Japan in fields such as: agricultural information, agricultural extension, agricultural production economics, plant breeding, estuarian oceanography, agricultural development policy, agricultural research administration, fishing boat construction, food inspection, agricultural statistics, water pollution control, agricultural marketing and grassland utilization. The participants have been selected from the Ministry of Agriculture and Forestry, the Office of Rural Development, the National Agricultural Cooperatives Federation, the Economic Planning Board and the Office of Fisheries. The majority have returned and are filling responsible positions related to their field of training. In several cases participants are working closely with U.S. technical advisors on the project who report they are doing a good job.

d. Commodities

This project provided only a limited amount of commodities primarily in the early years of the project. Most items were of a scientific or research nature including laboratory equipment, fish roe, cuttings and seeds for plant research, technical books and journals and demonstrational agricultural tools. The commodities generally arrived on schedule and have been utilized effectively.

Note: The Rural Development Officers in the provinces are members of the committee which selects food for work self-help projects and they perform some monitoring functions, but the appraisal of this use of commodities will be covered in another PAR.

UNCLASSIFIED

UNCLASSIFIED

1,09-11-110-594

## PART III - ROLE OF THE COOPERATING COUNTRY

The following list of illustrative items are to be considered by the evaluator. In the block after only those items which significantly affect project effectiveness, write the letter P if the effect of the item is positive or satisfactory, or the letter N if the effect of the item is negative or less than satisfactory.

SPECIFIC OPERATIONAL FACTORS:	
080 Coordination and cooperation within and between ministries.	P
081 Coordination and cooperation of LDC gov't. with public and private institutions and private enterprise.	P
082 Availability of reliable data for project planning, control and evaluation.	P
083 Competence and/or continuity in executive leadership of project.	P
084 Host country project funding.	P
085 Legislative changes relevant to project purposes.	P
086 Existence and adequacy of a project-related LDC organization.	P
087 Resolution of procedural and bureaucratic problems.	P
088 Availability of LDC physical resource inputs and/or supporting services and facilities.	P
089 Maintenance of facilities and equipment.	P
090 Resolution of tribal, class or caste problems.	P
091 Receptivity to change and innovation.	P
092 Political conditions specific to project.	P
093 Capacity to transform ideas into actions, i.e., ability to implement project plans.	P
094 Intent and/or capacity to sustain and expand the impact of the project after U.S. inputs are terminated.	P
095 Extent of LDC efforts to widen the dissemination of project benefits and services.	P
096 Utilization of trained manpower (e.g., participants, counterpart technicians) in project operations.	P
097 Enforcement of relevant procedures (e.g., newly established tax collection and audit system).	P
098 Other:	P
HOST COUNTRY COUNTERPART TECHNICIAN FACTORS:	
099 Level of technical education and/or technical experience.	P
100 Planning and management skills.	P
101 Amount of technician man years available.	P
102 Continuity of staff.	P
103 Willingness to work in rural areas.	P
104 Pay and allowances.	P
105 Other:	P

In the space below for narrative provide a succinct discussion and overall appraisal of the quality of country performance related to this project, particularly over the past year. Consider important trends and prospects. See Detailed Instructions for an illustrative list of considerations to be covered.

For only those items marked N include brief statements covering the nature of the problem, its impact on the achievement of project targets (i.e., its importance) and the nature and cost of corrective action taken or planned. Identify each explanatory note.

106 NARRATIVE FOR PART III (Continue on form AID 1020-25 I):

As pointed out in 008, the agricultural sector supported by extensive government efforts, has been steadily ~~growing~~ growing despite several physical restrictions. The achievements enumerated reflect the intensive ROKG interest and inputs. Top government officials have maintained a continuing concern and transmitted this concern to operational levels. The increases in the farm price of rice, government fertilizer, lime and pesticide programs, paddy rearrangement and aqua-culture are only a few indicators of this concern.

From 1965-69 the budget of the Ministry of Agriculture and Forestry more than doubled, while the National Agricultural Cooperatives Federation budget increased over 300 percent. The number of university trained staff in the governmental or quasi-governmental agricultural institutions grew rapidly during this period. USAID provincial advisors report that field staff also increased in both quantity and quality. The net result of these changes is a more dynamic group of agricultural institutions supporting and carrying out larger, more effective agricultural programs.

SECURITY CLASSIFICATION

UNCLASSIFIED

PROJECT NUMBER

489-11-110-594

## PAR CONTINUATION SHEET

This sheet is to be used for any Narrative Sections for which sufficient space has not been provided on the form. Identify each narrative by its Part and Section Designation.

Admittedly, at times over optimistic targets have been set with not enough inputs supplied or available to achieve them. However, the fact that many of the programs being assisted under this project, which work toward these targets, are improving the situation and solving these problems was a key factor in the decision to phase out direct-hire field advisors by FY 1972 instead of FY 1973 as originally planned. The ROKG is at a point where it can operate effective and efficient agricultural programs with minimal external assistance.

The foregoing should not be interpreted as saying that no problems exist or that the horizon is unclouded. There are problems but they are more on the planning and policy level rather than the implementation level. It is precisely at this level where future USAID assistance will focus. It is believed that the ROKG will continue to be receptive to help in this area and will maintain its positive approach to agricultural development.

UNCLASSIFIED

SECURITY CLASSIFICATION

## PART IV - PROGRAMMING IMPLICATIONS

## IV-A - EFFECT ON PURPOSE AND DESIGN

Indicate in a brief narrative whether the Mission experience to date with this project and/or changing country circumstances call for some adjustment in project purposes or design, and why, and the approximate cost implications. Cover any of the following considerations or others that may be relevant. (See Detailed Instructions for additional illustrative considerations.) Relevant experience or country situations that were described earlier can simply be referenced. The spelling out of specific changes should be left to the appropriate programming documents, but a brief indication of the type of change contemplated should be given here to clarify the need for change.

For example, changes might be indicated if they would:

1. better achieve program/project purposes;
2. address more critical or higher priority purposes within a goal plan;
3. produce desired results at less cost;
4. give more assurance of lasting institutional development upon U.S. withdrawal.

107 NARRATIVE FOR PART IV-A (Continue on form AID 1020-25 I):

As indicated in Part I A, 008 and Part I C, 102, many of the major objectives of the project have been achieved and the major institutions which are required to support continued agricultural development have been established. Therefore, this project will be phased out at an accelerated rate and a more narrowly focused project will be proposed in a new PROP.

The new project will concentrate on establishing improved planning and management capacity (1) in the central office of the Ministry of Agriculture, (2) within the Office of Rural Development and the SNU College of Agriculture complex, and (3) within the National Agricultural Cooperative Federation. Improved policy and planning capability in the major policy formulation agency, the major research agency, and the major agriculture supply and marketing institution should give more assurance of lasting agricultural development upon U.S. withdrawal.

## IV-B - PROPOSED ACTION

108 This project should be (Place an "X" in appropriate block(s)):

1. Continued as presently scheduled in PIP.	
2. Continued with minor changes in the PIP, made at Mission level (not requiring submission of an amended PIP to AID/W).	X
3. Continued with significant changes in the PIP (but not sufficient to require a revised PROP). A formally revised PIP will follow.	
4. Extended beyond its present schedule to (Date): Mo. ___ Day ___ Yr. ___. Explain in narrative, PROP will follow.	
5. Substantively revised. PROP will follow.	
6. Evaluated in depth to determine its effectiveness, future scope, and duration.	
7. Discontinued earlier than presently scheduled. Date recommended for termination: Mo. ___ Day ___ Yr. ___	
8. Other. Explain in narrative.	

109 NARRATIVE FOR PART IV-B: