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ECA/MRAG/95/4/MR



ECA Multidisciplinary  
Regional Advisory Group

**REPORT ON AN ADVISORY MISSION TO  
ERITREA ON THE AGRICULTURAL SECTOR  
REVIEW CONSULTATIONS**

By  
**G. L. Abalu**  
Senior Regional Adviser  
Food and Agricultural Policy and Planning

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UNITED NATIONS ECONOMIC COMMISSION FOR AFRICA  
MULTI-DISCIPLINARY REGIONAL ADVISORY GROUP

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Addis Ababa  
February 1995

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## I. INTRODUCTION

The United Nations Development Programme's Resident Representative in Eritrea, Mr. Herbert. P. M'Cleod, requested the United Nations Economic Commission for Africa (UNECA) to provide technical support to the Ministry of Agriculture of Eritrea and serve as a Resource Person at the Agricultural Sector Review Consultations which took place in Asmara, Eritrea from 9 to 10 February, 1995. The purpose of the consultations was to review Eritrea's priority activities for the reconstruction and long-term development of the country and to solicit donor support and financial commitment for the country's proposed pre-investment, investment, and technical assistance projects.

ECA's Senior Regional Adviser in Food and Agricultural Policy and Planning, Mr. G.I. abalu, was requested to undertake a mission to Asmara from 8 to 11 February, 1995 to provide the required services. The mission was in conformity with Programme Element 20.48 of the approved United Nations Regular Programme of Technical Cooperation for the 1994-1995 Biennium which calls for the provision of advisory services to member States and Inter-governmental Organizations in support of efforts to achieve sustainable increases in food and agricultural production.

### Terms of Reference

The terms of reference of the mission were to:

1. Review UNDP's plan and strategy for the implementation of the findings and recommendations of Eritrea's Agricultural Sector Review Report;
2. Review the results of previous consultations held in Asmara in June, 1994 and in Rome in December, 1994, with a view to recommending an appropriate strategy and orientation for the present consultations;

3. Discuss the arrangements for the organization and management of the consultations with officials of the Project Preparation Monitoring and Evaluation Services (PPMES) of the Ministry of Agriculture with a view to arranging for the provision of technical support to the Ministry;
4. Hold informal consultations with representatives of the donor community as well as with high government officials to get a feel for their orientations and likely course of action; and
5. Provide an overall assessment of the consultation exercise and make recommendations on needed follow-up actions and adjustments in strategy.

#### **Mission Activities**

The mission started by reviewing the available background documents including: the report of an earlier ECA mission to UNDP on the same subject; the Agricultural Sector Review and Project Identification Report prepared by the Food and Agriculture Organization (FAO) of the United Nations; the draft Country Economic Memorandum prepared by a World Bank mission in which ECA also participated; the proceedings of the Agricultural Sector Review and Project Identification Workshop organized by the Ministry of Agriculture; and the list of the Ministry of Agriculture's priority projects for support by prospective donors.

The mission held consultations with the Resident Representative of the UNDP as well as with the Programme Officer responsible for the consultations. Discussions were also held with officials of the Ministry of Agriculture's Project Preparation, Monitoring and Evaluation Unit. Informal discussions were held with several of the participants at the consultations including several of the representatives of the donor community as well as with officials of the Ministry of Agriculture and other related ministries such as the Office of the President, the Ministry of Marine Resources, and the Ministry of Energy, Mining and Water Resources.

## II. THE AGRICULTURAL SECTOR REVIEW

As part of its contributions towards the national effort to rehabilitate and transform a war-devastated economy and society, the Ministry of Agriculture had earlier requested the Food and Agriculture Organization of the United Nations (FAO) for technical assistance in undertaking a comprehensive review of the agricultural sector with a view to identifying projects of importance.

An eight man FAO mission visited Eritrea from 21 September to 20 October, 1993 and came up with a number of conclusions and recommendations.

The summary and conclusions of the mission are reproduced below:

### Food Crops

The review found that, in view of the large deficit even in years of good harvests (such as 1992), there was no demand constraint for incremental food crop production for at least 20 years. The main potential for expansion of rain-fed production is in the south-western lowlands where soils of good quality, suitable for sorghum, maize, millet and oilseeds, are relatively plentiful and where rainfall, generally in excess of 400 mm, seems to be more stable than in the highlands.

In the central highlands, where the bulk of the rural population lives, the situation and outlook is more differentiated. Under the impact of high population density, erratic rainfall, and progressive soil erosion, farmers in major parts of the highlands, in particular Hamasien and Akele Guzay provinces, are locked into small holdings that do not even generate a subsistence income and do not generate enough cash to purchase the inputs necessary to halt the decline in fertility. Furthermore, the loss of top-soil diminishes moisture retention capacity which, in turn, increases vulnerability to low and poorly distributed rainfall. While modest

gains in yields and production are possible in these provinces, these gains would probably not keep pace with the rate of population increase, and continued out migration as well as increased attention to rural off-farm employment opportunities may be required here. In much of Seraye province, however, agro-ecological conditions are better, population pressure lower, and farm sizes more viable. Here, there is substantial scope for introducing improved crop husbandry practices and increasing output.

In rain-fed crop production, the report identifies a number of practical actions likely to lead to quick gains in output, such as strengthening of the crop protection service, testing and introduction of improved varieties, the introduction of fertiliser in carefully selected areas where rainfall patterns justify this, and the introduction of a fertiliser credit and insurance scheme to mitigate the risk of fertiliser use to farmers. For the south-western lowlands the report proposes to launch, after careful preparation, an integrated rural development project as a means of channelling and controlling the now divergent efforts deployed or planned in that region.

### **Fruits and Vegetables**

Conditions for the cultivation of fruit and vegetables are favourable both in the highlands and the lowlands, although pests and diseases are a constraining factor that needs to be controlled. Fruits and vegetables, both fresh and processed, were part of Eritrea's traditional exports, and most of the concessions now being developed or rehabilitated are focusing on these crops. The domestic market will soon be saturated, at which time the crucial transition to exports will have to be made. The main constraining factors are the high cost of labour, the single most important cost factor, and lack of know-how regarding access to the main importing countries (quality standards, market regulations, phyto-sanitary prescriptions). These constraints can best be overcome through attracting foreign capital and entrepreneurship which would bring both technical experience and the know-how required for market access. Also, Eritrean producers, now fragmented, should organize themselves.

## Other Crops

The report briefly reviews the potential of other crops. Irrigated cottons is expected to be economic only for import substitution, as now practised in the Alighider estate. Sugar, if technically feasible, would, at best, be marginally economic for import-substitution since the required plant would be sub-optimal in size. Except for fruits and vegetables, which require only moderate areas under irrigation, other high-value crops that would justify the development of larger irrigation infrastructure on Eritrea's major rivers, remain still to be identified. On the other hand, export prospects for oilseeds, sesame in particular, and possibly also pulses (lentils), all grown under rain-fed conditions in the south western lowlands, appear to be good.

## Livestock

Prospects for the exportation of livestock, in particular small ruminants, to the regional markets of the Gulf states are good, and exports have resumed. Supply capacity would be conditioned mainly by the limited feed base of the arid- and semi-arid plains where most of the herds are, and in future also by increasing domestic absorption of production as income levels, and with it domestic demand for meat, increase. Prospects for the expansion of hides and skins export and, based on these raw materials, of leather and leather-goods are good, provided Eritrea can re-activate its traditional skills in this area and combine it with imported capital and know-how with respect to stylish design and modern marketing.

In animal husbandry, the foremost objective is the protection of the national herd from major epidemics, and measures in support of this aim are proposed in the report. For the rest, strategies for improving animal husbandry and off-take must be differentiated according to the main agro-ecological zones. In the arid- and semi-arid plains, which occupy 70 percent of the national territory, there is limited scope for permanently improving animal productivity. Here, supply will continue to fluctuate in a counter-cyclical pattern with rainfall. In the highlands and the

south-western lowlands, the scope for increasing productivity will be a function of progress in crop production and its progressive integration with animal husbandry, which again is partly related to the land tenure issue. The development of a feed and forage programme, while required, is not for the immediate future because basic information on the merits of individual grass species has still to be collected, tested and evaluated. Proposals to that effect are made in the report.

The most readily available entry point for development activities in the livestock sector is in the dairy industry, in particular in the surroundings of Asmara. Expanding and improving the supply of milk has high priority from the nutritional point of view. Proposals for an assistance programme, to be implemented after further preparatory study, are included in the report. In addition, there is scope for improving poultry keeping and apiculture, which are recommended in particular for the highlands areas in proximity of the capital where agricultural land is scarce and rural labour therefore under-utilized.

### **Fisheries**

Fisheries offer one of the most immediate opportunities for increasing foreign exchange earnings through the resumption of exports of quality fish. Rehabilitation of dilapidated infrastructure and relaxation of government's restrictive pricing policies and of its virtual export monopoly are the main pre-conditions.

### **Agricultural Institutions**

A major constraint in the Ministry of Agriculture is the extreme scarcity of higher-level staff with the technical and diagnostic skills required in Eritrean agriculture, a deficiency resulting from Eritrea's recent history. Additional low-level staff can be no substitute for the technical competence required. Related to this, is the possibility of budgetary bottlenecks as development activities now undertaken or planned come on stream and generate recurrent expenditure needs. Levying user charges and eliminating subsidies would help to avoid such bottlenecks. With respect to investment capital, access to external resources, both

public and private, does not appear to be a constraining factor in view of government's good management record. However, government's ability to generate public savings will be limited as recurrent charges rise, and the scope for raising the already high ratio of tax revenue to GDP is circumscribed. Against these constraints, there exists a potential source of strength in Eritrea's local government administration which has already proven its worth in current relief and rehabilitation operations and could become a precious tool in future rural development activities, which cannot succeed without community participation in planning and implementation.

### Policy Issues

The report reviews a series of national and agricultural policy issues ranging from population policy and food security to subjects such as subsidies and credit. It notes that since in many areas data required for rational policy and investment decisions are scarce and fragmentary, strategy considerations should be confined to a medium-term horizon of 5 - 8 years. The lack of essential technical data also points to the importance of pre-investment activities in that period.

With respect to food security there are few issues on the production side since in view of the overwhelming dominance of food in Eritrea's agricultural production and the large food deficit, nearly everything done to expand agricultural production will also increase food security at the national level. Regarding access to food at the household level, Eritrea has an efficient administrative infrastructure allowing it to identify and monitor the structurally food insecure and to provide food aid as required. With respect to temporary food insecurity, the situation appears to be less satisfactory as the monitoring instruments required to calibrate food aid releases in response to varying harvest outcomes do not exist.

The report discusses major elements of a medium-term agricultural strategy, again emphasising the need to provide for the establishment of data gathering networks at an early stage. The report covers successively the environment, crop production (rain-fed and irrigated), forestry, and animal production.

## The Private Sector

The government has made it clear that it intends to give the widest opportunity possible to the private sector and to turn over to the private sector production enterprises it has inherited from the Ethiopian regime. In recent years, government was forced to play an important and indeed dominant role in the provision of services to the agricultural sector (input supply, tractor hire, tools and oxen) to fill the void left by the previous regime and the absence of a private sector. However, as government provides many of its services free or with heavy subsidies, it is difficult for the private sector to enter the market. Thus government, by its actions, no doubt not deliberately, perpetuates the atrophy of the private sector which serves as the justification for its continued involvement. It is proposed that government make public a concrete time-table for its withdrawal and phase out subsidies so that the public and private sectors can initially exist side-by-side until it is confirmed that the private sector can handle the tasks.

The report gives much attention to the upsurge of applications for agricultural concessions, most of them in the south-western lowlands. While this is an encouraging development, some features give rise to concern: in the first place the prospect of saturation of domestic market for the fruits and vegetables, the production of which most of these concessions are geared; secondly, the location of applications, the size of the concessions granted, and the lack of capacity to effectively supervise them may give rise to disjointed settlement of Eritrea's major under-utilised agricultural area, which will also be the focus of resettlement of large numbers of Eritrean refugees returning from the Sudan. These lowlands, particularly the riverine areas, are also the traditional homestead of many pastoralists and agro-pastoralists. Finally, the expansion of concessions threatens to destroy much of the remaining woodlands. It is recommended to grant further concessions at a slower pace and with less generous allotments, and to consider introducing a land tax for commercial agriculture.

## Land Tenure

The land tenure system existing in the highlands (daisy) was identified as an important impediment for introducing effective soil conservation, reforestation, improved crop production and animal husbandry practices since the periodic rotation of plots among villagers undermines the interest of farmers in long-term improvements, and the communal use of the commons prevents their rational use and the integration of crop production, animal husbandry, and forestry at the household level. The establishment of the Land Commission, which will attempt to find a socially acceptable solution to this very difficult and sensitive issue is welcomed.

## Population Growth

The report draws attention to the importance of reducing the present rapid rate of population increase, estimated at about 2.9 percent. Rapid population growth absorbs much of the potential per capita gains in income and welfare and also threatens, through the pressure on land, hard-won environmental gains. A carefully developed family planning system is therefore also the most important environmental programme in its long-term effects.

## Environmental Protection

Conservation of the environment and, where possible, reversing the decline suffered in the period of Ethiopian occupation, is one of the pillars of the government's agricultural policies. The report reviews the somewhat disappointing results of past soil conservation and reforestation efforts, many of them supported by food-for-work programmes. These were characterised by lack of motivation to maintain the works once they had been carried out since farmers had no sense of ownership and economic stake in the outcome. It is suggested that the strategy of government should move away from reactive soil conservation and deal more with the issues that are perpetuating poor land management practices, e.g., the land tenure systems. There is strong justification for supporting agronomic, livestock, irrigation, and forestry development as a channel for extending soil conservation through

the diffusion of simple but effective innovations that bring visible gains to farmers.

If these efforts are to succeed, rural people must play a fuller part in the design and implementation of the measures. The apparent strength of the village councils (baitos) in Eritrea, and their awareness of the seriousness of the environmental degradation problem, provides an opportunity to involve communities in planning and implementing relevant activities, and thereby obtaining their commitment to land management plans. It is proposed to test this approach, over the next few years, through a pilot project, which should include access to the recently established Community Rehabilitation Fund for the financing of micro-projects identified in each pilot community's land management plan.

#### **Agricultural Research**

In agricultural research, the limited available financial and, in particular, human resources dictate a concentration of efforts. The objective should be to develop, in stages, a national research service covering all sub-sectors and focused sharply on the needs of the country's different agro-ecological zones and production systems. It should be entirely adaptive in nature and, wherever possible, be executed on producers' fields rather than in research stations. For the development of a 10-15 year agricultural research plan the assistance of ISNAR, the International Service for National Agricultural Research, should be sought.

#### **Agricultural Extension**

In agricultural extension, as in research, the situation in Eritrea is, due to the effects of the long war of independence, characterised by the very small number of staff with advanced degrees. This imbalance is exacerbated by the recent hiring of a large number of school-leavers who underwent only a few months of instruction before entering service. What Eritrea needs, however, is a lean but highly qualified staff capable of providing the diagnostic services required in land management, crop production and other areas. Recurrent expenditure may become an important constraint on operations of agricultural services and the resources spent on hiring low-level staff may now not be available to

attract, for instance, some of the many qualified Eritrean technicians living abroad. The future organization and orientation of the extension service has yet to be determined. They should be carried out in close synchronisation with the development of a research service, and should be an integrated service covering crop production (rain-fed and irrigated), animal husbandry, and forestry.

### **Irrigation**

While rain-fed crop production is expected to remain the mainstay of Eritrea's agriculture, the role of irrigation will increase considerably. The report agrees with government's objectives on irrigation development but gives more weight to the inadequacy of available data on land and water resources which impede planning, and to economic considerations in the case of future major irrigation structures. A comprehensive evaluation of the irrigation potential of Eritrea's major river basins (Mareb-Gash; Tekeze-Setit; and Barka-Anseba) has not been carried out and is urgently required.

This evaluation cannot be undertaken without the availability of several years' climatological, hydrological, and ground water resource data. The suggested strategy is, therefore, to initiate without delay the setting up of data gathering networks. Until results become available, development can proceed along an approximate least-cost path through the further development of small dams and related pump-driven small-scale irrigation schemes in the highlands, and the further - but controlled - development of small - and medium-scale concessions for irrigated agriculture in the lowlands. Further activities that can be undertaken in the short-term are feasibility studies followed by economically justifiable rehabilitation works on the two major estates inherited by the government, and of the spare irrigation systems existing in the coastal plains area. In spite of its inherent short-comings, spate irrigation merits attention because of the very limited alternative opportunities for crop production in that area.

Once sufficient technical data have been collected, master plans for the development of the major river basins can be drawn up towards the end of this decade. Until that time, there appears to

be sufficient scope for exploiting the lower-cost irrigation possibilities referred to above. Preliminary analysis suggests that large-scale irrigation systems with full water control which, because of the non-perennial nature of Eritrea's rivers require dams, storage, and extensive conveyance and drainage systems, will not be able to make a direct contribution to increased food security, i.e. through the production of cereals under drought-proof conditions, because of the high cost of such infrastructure which would be financially sustainable only if used for the production of high-value crops.

### Forestry

In forestry, the report recommends that closure of hillsides, which has occasionally already been practised with good results both by government and by "baitos", should become a major platform of future environmental regeneration. Two types of closure are proposed: permanent and temporary. Permanent closure, to be implemented by government, for selected areas of ecological value (for instance in the Green Belt); temporary closure to be decided and implemented by the baitos, wherever the problem of over-grazing of village commons exists.

To cover fuelwood needs, village councils should be encouraged to set aside part of the communally used land for plantations managed and used either communally or, preferably, parcelled out to individual families to increase self-interest in management. Only where "baitos" do not endorse this approach would reforestation efforts, supported by food-for-work, continue as in recent years - but on sites close to villages rather than on remote hillsides.

To respond as quickly as possible to the important urban fuelwood demand, a peri-urban fuelwood and pole plantation, initially to be developed and managed by government, is proposed as a pump-priming initiative. Such plantations should be highly profitable and thus attractive to private investors who should be encouraged to establish new plantations and to take over the old ones as well. Government could give additional incentives by imposing a more realistic stumpage fee on traded fuelwood and possibly by special tax breaks for investors.

### III. THE PROPOSED PROGRAMME OF ACTION

Based on the conclusions and recommendations of the above review, the report presents a programme of pre-investment, investment, and institution-building activities to be implemented over the next 6 - 8 years with financial assistance from multi- and bilateral donors. The main objectives of the programme are: to arrest and reverse environmental degradation; to establish networks for the collection and analysis of basic technical data required for planning; to initiate research programmes in support of soil conservation, agriculture, forestry, human and animal nutrition, and fisheries; to exploit the scope for short-term increases in output and productivity by a series of proposals comprising, among others, a fertiliser supply, credit, and guarantee scheme, support to crop protection and animal health activities, support for the on-going programme of construction of small dams in the highlands, an integrated rural development project in Gash Setit province, support for broad-based agro-forestry programmes as well as a 4,000 ha peri-urban fuelwood plantation, near Asmara, and proposals for the development of dairy, poultry and apiculture, with special reference to peri-urban areas. Finally, the programme contains a substantial component of institution-building and training proposals.

The report suggests that the programme, suitably amended by government after review, could become a building stone towards a Public Expenditure Programme to be discussed and agreed upon with multi- and bi-lateral donors, after which it could form the framework of a coordinated implementation effort that would avoid the fragmentation, duplication, and over-extension often found in development efforts eschewing a programme approach to development. It is further suggested that UNDP should serve as a partner of government in coordinating efforts on the donor side, in particular as regards the areas of human resource development and natural resource management.

The proposed programme is to be implemented in collaboration with the office of the President and the Ministry of Finance and Development. The Ministry of Agriculture will serve as the implementing agency while the UNDP will play a supporting

backstopping role. UNECA is expected to assist the UNDP in playing this backstopping role.

In addition to endorsing the programme as a guide for the development of the agricultural sector, a number of donors have expressed interest in a number of the projects in it.

The projects in the programme as prioritized by the Ministry of Agriculture are summarized below:

**1. Establishing national Agricultural Research Services:**

18 months: mid 1995-1996;

- (i) Pre-investment planning,
- (ii) Preparation of national research plan,
- (iii) Preparation of detailed investment project proposal,
- (iv) Overseas training of initial batch of Eritrean research workers. \$US510,000.

**2. Strengthening Agricultural Support Services:**

5 years: 1994-1999;

- (i) Construction of additional office and storage space at MOA HQ and provincial level, \$US1,137,000.
- (ii) Construction of housing for international and national TA, \$US3,250,000.
- (iii) TA credit and marketing 2 x 3 months, \$US84,000.

**3. Water Resource Conservation and Development:**

4 years: 1994-1998;

Improve MOA capability in planning and implementation through construction programme of 60 dams and 120 wells, \$US15,408,000.

**4. Institutional strengthening in forestry:**

2 years: 1995-1996;

- (i) Institution assessment exercise,
- (ii) Forest resource data collection/National inventory,
- (iii) Establishment of national tree seed centre,

- (iv) Establishment of forest research unit,
- (v) Preparation of silvicultural manual,  
\$US1,280,000.

**5. Strengthening DARD's Plant Protection Unit:**

4 years: 1995-1998;

- (i) Provide vehicles and application equipment,
- (ii) Provide pesticides for 4-year period,
- (iii) Practical training of Eritrean staff abroad in pest scouting and determination of critical values of infestation, and recent pest control technology,  
\$US1,509,000.

**6. Permanent Sample Survey of Agriculture Sector:**

4 years: 1995-1998;

- (i) Establishing parameters of survey,
- (ii) Designing sampling technique,
- (iii) Establishment and operating survey for 2 years initially with review after 2 years, including TA and training,
- (iv) Study tours for Eritrean staff to countries operating similar systems, \$US993,000.

**7. Nutrition:**

6 years: 1995-2000;

Identification, demonstration, and popularisation of a range of forage/fodder interventions and production systems (inter-cropping, alley cropping, backyard planting, oversewing, cut and carry) tailored to specific agro-ecological zones. Implemented by ARD utilising the Agriculture Research Stations to be established, and farmers fields. Leading in due course to seed multiplication. Inputs would include an initial preparation study (TA), seeds and materials, transport, training and on-going intermittent. TA. Evaluation of water resource studies, and provision of additional stock watering points through pastoralist associations. The provision of a feed analysis laboratory, probably conjunction with human food analysis laboratory as a single facility with CVL,  
\$US1,786,000.

**8. Dairy Support:**

5 years: 1995-1999;

Support to assist peri-urban dairy cow and dairy goat keepers to improve their husbandry, housing hygiene, production and profitability whilst producing a wholesome hygienic product. Review of milk marketing and provision of appropriate processing/manufacturing arrangements, utilising to a degree possible Asmara and Surrounding Modern Dairy Farmer cooperative Association, including consideration of provision of feed milling/mixing facility, \$US3,100,000 to 5,100,000.

**9. Backyard poultry:**

4 years: 1994;

Finance for ARD to provide checkered exchange programme, coverage for about 100 villages per year, providing appropriate improved cockerels on exchange and vaccination programme for Newcastle disease, free of cost only in initial year, \$US200,000.

**10. Capacity Building:**

5 years: 1994-1999;

25 scholarship for subject matter specialists to study abroad, \$US1,400,000.

**11. Fertiliser Credit and Guarantee Scheme (FCGS):**

4 years: 1995-1999;

- (i) Importing fertiliser for 4-year programme,
- (ii) Detailed design of FCGS,
- (iii) Implementation over 3-year period, \$US5,764,000.

**12. Ground water Resource Inventory:**

3 years: 1995-1997;

Identification of potential aquifers, assessment of yields by geophysics, drilling and test pumping, establishment of ground water monitoring system, \$US3,523,000.

**13. Animal Health I, Diagnosis, Epidemiology Support:**

4-5 years 1995-1999;

Strengthen Central Veterinary Laboratory diagnostic capability to provide secure oversight of the health status of nation's livestock and capacity to react quickly in the event of an outbreak. Support an epiderminological programme. Provide essential support to clinics in relation to collection of samples for diagnosis. Provision of major and minor equipment, laboratory supplies, training through TA, provision of scientific literature and transport, \$US932,500.

**14. Social Forestry:**

3 years: 1994-1997;

TA for 2 years. Institutional and staff support, including in-service training, especially within HQ and at extension agent level. FFW will be used for woodlot development, on-farm agro-forestry and seedling nursery establishment and maintenance. The thrust of this strategy would be to equip extension agents with knowledge and infrastructural, equipment and transport support to effectively assist farmers in all aspects of free planning, \$US14,560,500.

**15. Support for Credit Administration:**

5 years: 1994-1999;

- (i) Guarantee fund,
- (ii) TA-short term: agricultural credit specialist,
- (iii) 4WD pick-ups for 9 agricultural credit officers + maintenance and running costs,
- (iv) Salaries of incremental agricultural credit officers for 4 years,
- (v) Training for agricultural credit officers, \$US1,782,000.

**16. Accelerated Improved Variety Testing  
and Fertiliser Trials Programmes:**

5 years: 1994-1998;

- (i) Screening imported improved varieties of Eritrean staple crops.

- (ii) Major programme of fertiliser trials.
- (iii) Provide equipment, personnel and operating costs for above, \$US1,050,000.

**17. Establishment of National Climatological Centre:**

2 years: 1995-1996;

Establishment of meteorological stations, provision of data processing equipment, training in station operation and data processing, \$US749,600.

**18. Establishment of National Hydrological Network:**

3 years: 1995-1997;

Installation and calibration of hydrometric network, provision of vehicles and equipment, training in network operation and data processing, 2,035,000.

**19. Peri-Urban Fuelwood and Pole Plantations:**

8 years: 1994-2001;

TA for 3 years. Institutional and staff support within HQ. Infrastructural, transport, staff, training and material supply to the field, to develop 4,000 ha of plantation for Asmara, and subsequently for Mendefera, Dekemhare and Adi Caieh, in order to provide fast-growing and sustainable alternative for indigenous Acacia, currently exploited, \$US4,484,380.

**20. Wildlife Conservation and Development:**

3 years: 1994-1996;

TA for 9 months. Institutional and staff support, including in-service training. In addition field support for protecting remnant wildlife communities in Gash Setit, and support a reconnaissance project, needed to identify other habitats and warranting protection, \$US573,280.

**21. Animal Health:**

1 year: 1996;

With Ministry of Health determine incidence of inter alia Tuberculosis and Brucellosis, in human population, together with modes of transmission and levels of infection in animal population, prepare, and cost time-phased programme to reduce risk to human population, \$US75,000.

**22. Nutrition and Household Food Security:**

6 week: early 1995;

5 Senior officers from different ministries to attend International Nutrition course, Uppsala, Sweden, \$US50,000.

4 weeks x 8 provinces: 1994-1995;

In-service training for all Home Agents and some ERRA and health workers and teachers:

- Two weeks study and discussion,
- One week rapid assessment field exercises,
- One week practice analyzing and determining appropriate local food and nutrition activities, \$US200,000.

**23. Strengthening Agricultural Support Services:**

5 years: 1994-1999;

- (i) Provision for housing of 500 field staff, \$US750,000.
- (ii) Office furniture, equipment and materials, \$US1,039,000.
- (iii) Vehicles for HQ, provincial and sub-provincial levels (4WD, Motorcycles and bicycles), \$US3,180,000.
- (iv) TA-short-term covering: organization and management (6 months), finance and audit (6 months), procurement (3 months), monitoring and evaluation (2x3 months), \$US294,000.
- (v) Provision to finance farmer exchange visits, \$US450,000.

**24. Permanent Forest/Woodland Closure:**

3 years: 1994-1996;

TA for 2 years. Institution and staff support for 3 years. Investment and FFW for site management and protection. To protect in perpetuity unique areas and those of special interest for gene conservation and environmental purposes. Also severely degraded areas can be considered for restoration. In particular the "Green Belt" escarpment requires consideration, \$US1,422,900.

**25. Capacity Building:**

5 years: 1994-1999;

- (i) TA long term (2 years): training coordinator to help establish in-service training programme, \$US300,000.
- (ii) Establishment of in-service training facilities linked to highland and lowland research stations, \$US640,000.
- (iii) Construction of classrooms and dormitories: provision of equipment and vehicles: and finance for running refresher courses, \$US250,000.

**26. Nutritionist Training:**

1 year x 2: 1995-1996;

One senior MOA (RDD or planning) with one senior MOH (Planning or Health Services) attend post-graduate level social nutrition course abroad, \$US50,000.

**27. Apiculture:**

1 year: 1994;

Provision of TA and training in manufacture and utilisation of appropriate improved hive which would have to be selected in consultation with ARD and beekeepers after suitable trials/demonstrations, \$US37,500.

**28. Food Safety and Quality control:**

3 months;

TA to define needs in relation to domestic food marketing and objectives set for agricultural exports; and proposals for technical investment, \$US37,500.

6 weeks: 1995;

Study four for one senior MOA + one senior Min of Trade staff, \$US18,000.

**29. Food Consumption and Monitoring:**

By Baito cluster: 1994-1995;

Local training for baito (village assembly) members, with local Home Agent, extensionist, and EERA:

- One week orientation, field practice,
- One week setting up practicalities of a province monitoring system, \$US200,000.

**30. Credit and Income-generation for Rural Households:**

6 weeks: 1995;

Collaboration with the Eritrea Women's Union: joint cadre, including Home Agent province-level supervisors. Case study teaching and exploratory field application of approaches and techniques, \$US180,000.

**31. Domestic and Artisanal Food processing:**

1 month: 1995;

Study tour for one middle, one senior level Home Agent, with one agronomist, together with FAO advisor/consultant, \$US40,000.

3 months:

TA to establish potential for processing and plan village-level training in processing and marketing, \$US37,500.

**32. Land and Water Development Master Plans:**

2 years: 1996-1997;

Land and water resource assessment and development planning, including pre-feasibility evaluation of irrigation and hydropower potential, \$US2,632,400.

**33. Animal Health II. Privatisation of Veterinary pharmacies:**

3-4 years: 1994-1966;

Provision of TA to devise rules and establish method of operation, \$US550,000.

**34. Food Security Nutrition Programme:**

12 months: 1995;

TA for preparation of Food Security and Nutrition Programme including Early Warning and Food Information System, \$US323,000.

**35. Implementing Community Land Management Pilot Project:**

5 years: 1995-2000;

Testing production systems technologies and participatory research and development within an inter-disciplinarian team at village level. Implementing water resource development project. TA in participatory community resource development for 2 years. Provide training for 4 MSc and 18 BSc, extension agents, support office facilities, vehicles (4 over project life) 20 Motorcycles, mountain bikes, and funds for developing small water resource development projects within chosen villages, \$US2,691,000.

**36. Supporting Soil and Water Conservation Research:**

5 years: 1995-2000;

Research technologies, methodologies for carrying out effective soil and water conservation. TA for 18 months, spread over 3 years; funding training/study tours; provide office support, operation/maintenance and funds for constructing and maintaining erosion plots, \$US631,000.

**37. Support South Conservation Section:**

5 years: 1994-1999;

Finance training, vehicle, motor cycles and bicycles; support operation and maintenance costs; upgrade office equipment, etc., at provincial and national level, \$US303,000.

**38. Support a Natural Resource Information Centre:**

2 years: 1995-1996;

Review available data, acquire aerial photographs, topographic maps, carry out information search; fund study tours and data centre; fund simple reconnaissance and detailed surveys, support office management, \$US895,000.

**39. Development and Settlement of Southwest:**

3 years: 1995-1997;

- (i) Pre-investment studies for a development and settlement programme in Gash Setit province,
- (ii) Provide equipment and operating costs for construction of gravel road from Tessenei to OM Hajer,
- (iii) Development and Settlement Programme, \$US18,285,000.

**40. Temporary Woodland Cloister:**

3 years: 1995-1997;

TA for 9+3+3 months. Institutional and staff support, including in-service training for extension agents, concerning closure and simple management planning. To extend/encourage formal closure and rotational grazing of as much of the country's degraded woodland areas as possible, in order to encourage natural regeneration of trees, shrubs and herbs/grasses, with overall intention of improving general environment, \$US407,800.

**41. Spate Irrigation in Eastern Lowlands:**

3 years: 1995-1997;

Proposals and cost estimates for rehabilitation of existing schemes, investigation of potential for new schemes, \$US1,701,200.

**42. Establishment of Irrigation Advisory Unit:**

4 years: 1996-2000;

Improved MOA capability in assisting farmers to develop and manage small-scale irrigation, initiation of credit scheme for equipment, establishment of water users groups, development of 600 ha, \$US3,056,000.

**43. Support Major Evaluation of Soil Conservation Programme**

(6 weeks): 1998;

Provide TA evaluating overall soil and water conservation programme within context of national environmental action plan and conduct major seminar/workshop, \$US265,000.

**44. Market Support:**

1995-2000;

Livestock marketing.

**45. Fisheries Development Planning and Management:**

3 years plus 2 years: 1994-1996;

TA and Training: Design permanent fisheries administrative structure: establish new MMRIF planning and Coordination functions on fully operational basis; establish new MMRIF management and enforcement functions on fully operational basis, \$US1,411,000.

**46. Fish Consumption Promotion, pilot Phase:**

3 months: 1994;

TA and Training: Assist in identifying ways in which fish could be used more effectively to bring nutritional benefits

to urban communities; help develop outreach and promotion activities in these communities through which such nutritional benefits can be realised in affordable and acceptable ways, \$US97,000.

**47. Pilot Inland Fisheries Development:**

3 years: 1994-1996;

TA: Inventory of inland water bodies and their potential for fisheries, of local harvesting and catching capabilities, and of marketing and consumption potentials; foundations for a large scale development of inland fisheries, including administrative/legislative measures for optimising institutional management of the activity, \$US140,000.

**48. Planning and Administrative Specialist:**

2 years: 1995-1996;

Review ARD's role in livestock development: assemble and review manpower capabilities and discuss and establish detailed training programmes necessary to achieve goals and objectives: review and improve recording systems: with ARD establish system of control and delegation based on management by objectives with responsibility apportioned by function, \$US590,000.

**49. Legislation Draughtsman:**

1 year: 1966;

With ARD prioritise legislation to be drafted: prepare in conjunction with ARD appropriate drafts for submission to MOA and government relating inter-alia, to quarantine regulations and protocols, veterinary surgeons, drug handling, zoonoses, livestock product inspection, notifiable diseases, milk handling, and veterinary pharmacies, \$US90,000.

**50. Privatisation Specialist(s):**

1 year: 1994-1995;

Review with MOA undertakings scheduled by ARD for privatisation, package these assets to appeal to investors and

prepare pro-active programme for their disposal. Advise MOA of appropriate action if any undertaking is without commercial attraction, \$US60,000 only in absence of prior sale, lease or disposal.

51. Rehabilitation Needs of Aligheder and Elaberet Estates:

3 months: 1995;

Identification of technical alternatives and investment needs for rehabilitation, \$US150,000.

52. Preparation of Water Law:

1 year: 1997;

Development of draft water law and advice on international aspects of major water development projects, \$US170,000.

53. Assistance to the Land Commission:

3 years: 1995-1997;

- (i) TA- short term (4 specialists x 2 months) to prepared project to assist the Land Commission in the fulfilment of their terms of reference, \$US150,000.
- (ii) TA for follow-up project (TA, training, vehicles and equipment), to be defined under (i), \$US800,000.

The total cost of the programme is US\$ 116 million. Support to irrigation, rain-fed crop production, and forestry are the main components comprising some 20-25 percent each. Environmental activities claim only a small share of total investment. This is, however, in line with the philosophy underlying the report, which is that improvements of the environment should be sought primarily through productivity-increasing activities in the individual sub-sectors. It is estimated that some 55 -60 percent of the programme can be classified as investment, a further 15 percent as pre-investment studies, and the residual 25 - 30 percent as capacity-building or institutional strengthening.

It is suggested that an agricultural investment and pre-investment programme of this magnitude would be within the fiscal

absorptive capacity of Eritrea as regards the required government contribution to investment costs. The recurrent costs following from the implementation of the programme may be just about a manageable but only if strict economy is maintained in expanding government staff and services.

#### IV. THE SECOND DONORS' MEETING

The Second Donors Meeting took place in Asmara from 9 to 10 February, 1995 to review the progress so far accomplished in operationalizing the various projects in the programme. The meeting was attended by officials of the Office of the President, the Ministry of Agriculture, the Ministry of Marine Resources, and the Ministry of Energy, Mines and Water Resources. Several donor, international, intergovernmental and non-governmental organizations were also represented at the meeting. A list of the participants at the meeting is attached to this report as an Annex.

The mission was seconded to the Ministry of Agriculture by the UNDP to serve as a Resource Person and help prepare the report of the consultations. The proceedings of the meeting are reported in the rest of this section

##### The Opening Session

The meeting was opened by the Honourable Minister of Agriculture, Dr. Tesfai Ghermazien. He welcomed all the participants to the meeting and reminded them that this was the second in the series of donors meetings agreed to at the last meeting in June 1994. He noted that 1994 was a reasonable year for the agricultural sector. The distribution of rainfall was satisfactory and the advance preparation by the Ministry of Agriculture contributed towards the achievement of a reasonable harvest during the year.

He reminded the participants of the objectives of the meeting which is to assess the first half yearly activities of the Ministry's proposed projects and to review the pledges and commitments of the donor community in support of efforts to improve the lives of the rural poor people of the country. He informed the

meeting that, even though the Ministry had responded to requests from donors for more detailed project profiles or proposals and had demonstrated a sense of seriousness and commitment, most of the donors had yet to indicate a firm commitment in support of the proposed projects.

He drew the attention of the participants to the Ministry's list of projects and their prioritization and informed the participants that detailed project profiles were available for the projects in the list for their consideration. He informed them that co-financing of projects was possible and that the Ministry would be quite pleased to provide counterparts for the preparation of detailed project proposals.

The Minister then briefed the participants on the activities of his Ministry since the last donors meeting. These included the setting up of the PPMES, the prioritization of the projects extracted from the Agricultural Sector Review, and a tour to selected donor countries to solicit financial commitment. He identified the donors who had made firm commitments so far. These included NORAD, IFAD, the ADB, GTZ, ODA and the Government of Italy. The major NGO contributors through the on-going agricultural rehabilitation programme were identified as: Christian Aid, OXFAM UK, CAFOD, NCA, BAND AID, OXFAM CANADA and World Vision Australia. Other NGO's involved in various other projects included Novid of the Netherlands, SOS FAIM of Belgium, Redda Barna of Norway, Norwegian Peoples Aid, Norwegian Development Fund and ACORD.

He concluded by calling on the donors to come to the assistance of his young nation which clearly deserves donor support. He said that he was convinced of the fact that the Ministry of Agriculture had laid all the ground-work necessary for successful donor intervention.

The participants were then addressed by Mr. Berhane Abrehe, Director, Macro-Policy and International Economic Cooperation, in the Office of the President, who provided an over-view of Eritrea's Macro Development Policy Framework. He felt his overview would shed light on the policies, strategies, programmes and projects of the agricultural sector. He pointed out that the main goal of the

country's macro-policy was to achieve sustainable and equitable economic growth that is designed to eliminate the manifestations of poverty and deprivation. He pointed out that the macro-policy recognizes that the country's agriculture must be diversified, productive, sustainable, environmentally friendly and contribute to improved standards of living for every Eritrean by assuring food security. He pointed out that the target was to transform Eritrea's agriculture into a modern irrigated and advanced system within the next 10-15 years. He emphasized that central to the achievement of this goal was the development of the country's human resource base, hence the need to place major emphasis on extensive training and agricultural extension. He promised that the government will play its right-full role of providing the enabling environment for achieving these objectives.

He informed the participants that the newly promulgated Land Act of 1994 paves the way for the success of the country's agriculture. He emphasized the fact that Eritrea's food security goal was not to be self-sufficient in food production. Rather, the aim was to empower the people economically, socially and politically so as to provide easy access to good quality food at all times and places. He added that a complementary goal is to rid the country of dependence on foreign aid and assistance. He pointed out that the role of the private sector in the whole economy was expected to be decisive. Consequently private investment at both the small farmer and bigger commercial estates levels would be strongly encouraged and backed by attractive supportive measures.

He concluded by saying that the government envisaged a bright future for Eritrea and that with a good balance of clear policies, flexibility and pragmatism in a country of peace and stability, the future of the country's agriculture was bright.

In the discussions that followed the two key note presentations, the ADB wanted more information on the recently promulgated Land Act. The Land Commissioner replied that the new land act declares all lands to belong to the government. Some of this land is reserved for government use. Every Eritrean citizen from the age of 18 has the right of use of land for life and is entitled to a plot of land for agriculture or for residential purposes. Land is not inheritable. The Government can, however,

transfer land to the people on certain conditions. Children will have first right of priority on available land after the death of their parents. As for land for investment purposes, the government has the right to lease land to all investors. Foreign nationals can get land through specific permission from the Office of the President via the Land Commissioner.

With regards the advantage of the new land over the previous land law, the Commissioner informed the meeting that the old law was communal in nature, involved extended family in the village community, resulted in difficult access to land, was difficult to administer and prevented new improvements on land. Consequently, farmers were reluctant to develop the land and to increase their productivity. The new Land Act will tackle all these problems.

The UNDP Representative wanted more detailed information on the status of donors pledges and identification of areas of interest.

The Minister of Agriculture again emphasized the fact that his Ministry had fulfilled all the requirements requested of it during the June 1994 meeting. He indicated that while some progress had been made, the accomplishments so far are not up to the magnitude expected.

The WFP complained that its pledges of food during the year were not mentioned by the Minister. He informed the meeting that WFP has donated 15,000 tonnes of food to the people of Eritrea through ERRA.

Christian Aid UK informed the meeting that a number of its projects were coming to an end and wanted to know if extension of these projects could be fitted into the proposed sector review programme. For example, Christian Aid UK was planning to follow up its existing project activities with activities involving livestock.

The ADB indicated that the setting up of the PPMS was very important and informed the meeting that the ADB would like to contribute to its further development. He, however, added that for a number of administrative reasons, financial resources were not

yet forthcoming. He hoped that the situation will change during the second half of 1995 when additional resources may be available. The Minister responded by informing the meeting that it was the preparatory aspect of the PPMES that had been completed. The main aspect of its work will come later. He said that two experts will soon join the unit and the ADB will be expected to provide support to this part of the work of the unit.

The UNDP wanted clarification on the goals and activities of the government with respect to the attainment of sustainable development. He wanted to know how the recurrent costs for achieving the identified objectives will be accommodated.

The Director of Macro-Policy responded by informing the meeting that human resources development was a key goal of the government. Even though resources were limited, the available resources will be concentrated on the provision of training at the primary, secondary and technical levels. The government's revenue system, including tax policies, investment policies and development policies will be adjusted accordingly to cover not only the recurrent costs but to tackle the human resources development challenges of the country.

The ADB wanted to know why Projects No.2 and 23 which appear to be similar were not merged. The coordinator of PPMES replied by saying that the two projects are components of the same project. They were separated to reflect the different priorities of each of the two components as seen by the Ministry. The Ministry was, however, flexible. He suggested that if the donors so desired, both projects could be recombined for funding purposes.

#### **Donors' Statements**

The meeting then proceeded to listen to statements by the donors present with respect to the progress so far made in connection with their funding activities in the country with particular reference to the Ministry of Agriculture's priority list of projects. Below is a summary of the statements made by the various donors present at the meeting.

African Development Bank (ADB)

Considerable progress has been made since the last meeting in June 1994. The ADB has also been making some progress with regard to the processing of the five projects that the Bank had expressed interest in. ADB has already provided feed back on these to the Government through the Ministry of Finance. In June 1994, the ADB pledged support in five areas. The ADB is still interested in providing support in these 5 areas. The status of the ADB efforts in these areas are as follows:

1995: The assistance programme for the year would total around \$US15 million in:

1. Continued support to PPMES (Project No.1). Project preparation will continue after the meeting with the aim of coming up with an appraisal report ready for Board presentation as soon as resources are available.
2. Seraye Project (Project No.3). FAO has undertaken detailed identification and preparation of the project on behalf of the ADB. The final preparatory report will be ready by the end of March 1995. Project appraisal initially programmed for March, will now take place in April/May. Government will be advised of actual mission dates.

1996: About \$US15 million in the following two projects:

1. South-West Rural Development Project (Project No.39). This project could comprise several components and there is need for detailed identification of the actual activities needed. The Bank has requested the FAO to undertake detailed identification which may be completed by August 1995. The project preparation is expected to take place in December or early 1996. Co-financing may be necessary.
2. Peri-Urban Fuelwood and pole plantations (Project No.19). Not much progress has been achieved here in terms of preparation.

1997: About \$US7 million for a Fisheries project. Identification mission was mounted in December 1994 - January 1995 on behalf of ADB. An FAO identification report is expected at the end of February 1995. Project preparation will take place during the second half of 1995 and project appraisal could take place before end of the year.

Following on the above, it might become possible to process all the projects (except the fuelwood) between 1995 and 1996.

#### Germany

The German Government has already committed up to now about 22.2 million DM (\$US15 million) of its total commitment to the Eritrean agricultural sector (including food aid and scholarships). The German Government has held a number of negotiations with the Eritrean Government. With regards to the implications of these negotiations with respect to the Ministry of Agriculture's project list and their prioritization, the results of these negotiations can be summarized as follows:

1. GTZ's on-going contribution comprises support to the PPD (MOA) and, so far, of 9 scholarships. This support for training and development of manpower contributes to Project No.10.
2. The Integrated Food Security Programme operating since 1993 can be extended into Project No.39 on the Development of the South-West.
3. The Land Resource Development Project started in July 1994 could be incorporated, if extended, into the proposed Community Land Development Project (Project No.35).
4. A proposed forestry, agroforestry and soil conservation project could contribute to the project proposals on Woodland Closures (Projects 20 and 24) as well as Social Forestry (Project No.14).

5. Up to 200,000 DM (approximately \$US120,000) from GTZ's own funds may be available for support to the Research Department (Project No.1) subject to submission and approval of a project proposal.
6. The German Development Service is going to begin its support activities (6 posts) soon.

The timetable for further negotiations are as follows:  
consultation talks - June 1995; negotiations: end of 1995.

#### NORAD - Norway

The total commitment to bilateral cooperation between Norway and the Eritrean Government is 28-30 million NK (\$US4.2 million). NORAD's support is mainly to the University of Asmara particularly in the area of agriculture and to the Ministry of Energy, Mines and Water Resources in capacity building.

#### Israel

The contribution of the Government of Israel to Eritrea has been mostly in the area of training. These have included the provisions of scholarship to Eritreans and the provision of technical expertise by Israelis for the training of Eritreans in Eritrea. Israel has also provided support to the conduct of research (this can be incorporated to project No.4) and the establishment of a farm to train ex-fighters. Additional areas of interest of Israel include support to Veterinary Services and the establishment of grain storage.

#### UNSO

UNSO is involved in Project No.4, Sub-project III. The \$US2.9 million project has been reviewed jointly by the government and UNSO. Two major issues of concern are: the need for community participation and cost recovery. Two donors are interested. The project will be subject to some modification after the two issues have been addressed.

### Italian Cooperation

Italian Cooperation has shown interest in Projects No.1, 5, 16 and 35. This is with the joint involvement of the FAO. The Italian Cooperation will be interested in the possibilities of integrating these projects with other on-going projects in the country such as the Community Rehabilitation Fund. Italy is also providing support to an Early Warning project being channelled through IGADD. A project formulation mission will be fielded in 1995.

### USAID

USAID has already committed 5 million dollars to agriculture related activities in the country. Further plans are to contribute additional resources in support of sustainable improvement in food security, training and technical capacity building and support to development activities geared towards the Horn of Africa.

### World Bank

Presently agriculture has not featured prominently in the dialogue between the World Bank and the government with regard to the Bank's lending programme. However, the Bank has contributed towards the preparation of the country's environment management plan. The Bank plans to field an environmental mission later in the year to follow up on progress with the NEMP.

### European Union

The European Union (EU) has been involved in two major activities in the country. The first has to do with the construction of 5 dams in the highlands and the second has to do with the conduct of a national water resources assessment study including assessment of irrigation potential. The terms of reference of the assessment study is under preparation. The study itself is expected to be completed by mid-1996. The study could form the basis for future engagement in the water and agricultural sectors. New funds from the 2nd financial protocol of Lomé 4 are expected to be available by mid-1996.

World Food Programme (WFP)

WFP has continued to provide food assistance to the country. The intention is to move away from emergency relief to food-for-work. The WFP is exploring areas of cooperation involving co-financing with other donors in a number of areas including forestry and other activities.

Food and Agriculture Organization (FAO)

FAO is providing assistance to the MOA in mobilizing donor support for the pre-investment, investment and technical assistance projects contained in the Agriculture Sector Review. FAO would also be prepared to assist the Ministry in the formulation of some of the project documents.

One of the criteria for using resources from the Technical Cooperation programme for this purpose is a clear indication of donor interest in principle to fund the follow-up project. With regard to its on-going programme, FAO is carrying out a number of activities in the area of food security. A TCP project to assist MOA in the establishment of a food information system began in the beginning of February. An FAO mission has just arrived to finalize the report of the activity, financed with resources from UNDP, on the preparation of a food security and nutrition programme. FAO is cooperating with the Plan Protection Unit in the control of armyworm (TCP) and locust control (USAID). In March 1995, FAO will collaborate with Italy in fielding a mission to formulate an adaptive research project comprising priorities 1, 5, 16 and 35. A number of activities in the area of fisheries development are being carried out in collaboration with UNDP and the Ministry of Marine Resources (priorities 45 and 46). Under its Technical Cooperation Programme, assistance will be provided to the Land Commission to set up a land resources management system. Eritrea also benefits from a number of regional activities (remote sensing, migrant pest control, early warning through IGADD).

CFD - France

An identification mission in the agricultural and marine resources sectors is planned for the beginning of March 1995.

Project proposals are expected to be prepared in 1995 for financing end of 1995 or 1996. The general area of interest of CFD include for example: the organization of agricultural producers to improve inputs supply, investment financing and marketing systems; fisheries; small-scale irrigation development and the development of community credit and saving schemes.

Christian Aid - U.K.

Christian Aid UK has so far provided support to the PPMS through their on-going activities in the country which will be coming to an end soon. Suggested future area of interest is in livestock. Christian Aid therefore is interested in Project No.7. The process for support will depend on a number of factors including the interest of the UK government. A consultant will be hired to work with a Ministry of Agriculture counterpart to prepare a detailed project document.

SOS FAIM - Belgium

SOS FAIM's major areas of interest in Eritrea include small scale irrigation, credit and marketing. In addition to the on-going projects, SOS Faim plans to earmark \$US0.1-0.2 million per year for Eritrean agriculture during the next 3 years.

L W F

LWF is not really a donor. Presently it is involved in soil and water conservation activities in the country. In 1995, the plan is to build five to six dams costing US\$1 million. Funding is also available for agricultural assistance in the form of Knap-Sack Sprayers and possibly oxen and camels. LWF is also involved in forestry projects involving students in planting seedlings.

OXFAM

OXFAM is funding a number of ARP activities at the provincial Ministry of Agriculture in Barka. It is, for example, interested in Project No.30 but would need additional discussion with the

Ministry on the approach to be followed. OXFAM would also like to further discuss possibilities for area specific funding.

#### RED Barna

Red Barna is presently involved with a number of projects in the country including soil and water conservation in Asmat Senhit. This organization is planning to expand its activity in Asmat and it is also planning to take up a tree nursery horticulture and poultry projects that involve widowed women in Afabet and an income generation agriculture project in Mahihimet in Sahel province. The total cost of these project for 1995 is 2.7 million Birr.

#### ADRA - Denmark

ADRA is an NGO organization and not a donor. Future contributions to Eritrea from DANIDA Denmark to be sent through NGO's will be increased. The general plan is to commit 60 percent of all resources to countries of Africa south of the Sahara and Eritrea is considered as a high priority country in this group. The emphasis will be on projects involving grassroots participation.

#### United Nations Development Programme (UNDP)

UNDP is currently providing on-going support to projects involving PPMES, the environment, fisheries and marine resources. The strategy is to use UNDP resources as catalyst or seed money to attract additional funding. UNDP strongly supports the MOA's programme as presently developed. It would urge donors to also support it as a complete programme in order to maintain coherence and consistency. UNDP will make available its services through the monitoring unit to donors needing such services but who are not located in Eritrea. UNDP and other sister UN Agencies are also available to provide technical backstopping for activities funded by non resident donors.

#### Ministry of Agriculture's Reactions

After listening to the various statements of the donors, the Minister of Agriculture concluded by reminding the donors that it

is very important for them to inform the Ministry of the areas of their interest with respect to its priority list of projects. He further informed the meeting that the Ministry, on its part, had provided detailed project profiles for each of the projects in its priority list. It was now up to the donors to indicate how they intended to follow up on the implementation of their pledges for the projects. This could involve the fielding of missions to further develop project proposals based on the specific project profiles. On the other hand, the donors could develop specific project profiles of their own. Furthermore, the donors could provide specific directives to the Ministry on how to further develop identified proposals, or it could provide specific indications of any additional information needed to assist them with their decision on the proposals.

#### **Programme Implementation and Evaluation**

The Minister reminded the meeting that during the June 1994 meeting the donors had raised the issue of programme implementation and evaluation. It was suggested then that the review will take place after some activities and projects would have commenced.

The UNDP representative suggested that there was need to approach the issue of programme implementation and evaluation in a pragmatic manner. He added that in the preliminary stages of project formulation, not very much evaluation was possible. He suggested that there will be need for bimonthly report on all development cooperation activities in the country including targets that were planned but could not be carried out.

The ADB representative suggested that the monitoring and evaluation of projects by different donors would, of necessity, proceed at different speeds. He suggested that, since the PPMES had been set up, it could in the future provide the meeting with brief reports and review of on-going projects as appropriate.

The Representative of the Government of Israel suggested that the role and responsibilities of PPMES were quite significant. He pointed out that there was need for adequate strengthening of the unit.

A member of the Italian Delegation suggested that there was an urgent need for members of the donor community to be informed of each others activities in the country. The Coordinator of PPMES responded by saying that this was the spirit of the review of the status of the projects by the Minister in his opening address. He agreed with the delegate about the importance of providing such information at regular intervals.

The FAO representative suggested that there were two main issues in project implementation and evaluation. The first has to do with keeping interested people informed of progress with respect to project activities and the second related to monitoring and evaluation of projects, a function which is usually in built in the different projects.

The UNDP representative suggested that the issue of programme implementation and evaluation should be seen at three levels as follows: (1) for information sharing [this can be handled by the publication of an information bulletin at regular intervals]; (2) the evaluation of individual project activities; and (3) the holding of donor review meetings, such as the present one, which is intended to take an overall look at the programme as a whole.

Christian Aid and LWF/WS emphasized the fact that the PPMES must set its own bench-mark and that the Ministry has to come up with a comprehensive monitoring and evaluation system that would be acceptable to most of the donors. This would avoid wasteful duplication of efforts. However they both emphasized the fact that for the PPMES to effectively provide this service, it must receive adequate funding from the donors.

### Closing Session

The meeting was closed by the Honourable Minister of Agriculture with a brief presentation. He informed the meeting that he was pleased with the discussions that had taken place during the meeting and that he was encouraged by the interest expressed by the various donors. He informed the donors that he looked forward to firm commitments from them in the near future. He said that the Ministry, on its part, will continue to pursue dialogue with the donors on both an individual and collective

basis. He added that the Ministry was prepared to provide the donors with any additional information required and would also be available to visit some donor countries.

For those donors who were unable to make pledges at the meeting, he informed them that the Ministry was still waiting patiently for their decision. He suggested that their very presence at the meeting was an indication of their interest in the rehabilitation of the country's agriculture. He reminded them that a number of them had expressed their readiness to further discuss some of the proposed projects in the priority list. He indicated that his staff were quite ready to meet and discuss these proposals with them.

He called on the donors to keep the momentum going and hoped that in the not too distant future, Eritrea will be self secured in food through the effort of the government, the assistance of the donors, and, most importantly, with the participation of the country's rural men and women.

He concluded by warmly thanking everyone for their participation and wished those who are leaving a safe journey back home and those who were staying, a pleasant stay in Eritrea. He looked forward to seeing everyone back during the next meeting.

## V. CONCLUSIONS AND RECOMMENDATIONS

The following are the conclusions and recommendations of the meeting.

### 1. The Ministry of Agriculture's priority list of projects

The participants agreed that there is need to support the MOA's list of projects as proposed as a "programme" so as to ensure coherence and consistency as seen from the perspective of the Ministry of Agriculture.

## 2. National Agriculture Policy and Strategy

The National Agriculture Policy and Strategy Report is under preparation. The participants agreed that while it would be important as a guide for the design and implementation of the country's agriculture projects, in its absence, the agricultural sector review provides a logical basis for all the projects under consideration. Pending the finalization of the policy report, the agriculture review report has been accepted by government as a guide for its activities in the agriculture sector during the next 6-8 years.

## 3. Monitoring and Evaluation

The issue of monitoring and evaluation should be handled in a pragmatic manner. In this regard it was proposed that monitoring and evaluation should be approached at three levels as follows:

- (a) For information sharing e.g., the production of an information bulletin at regular intervals, (bi-yearly or as appropriate),
- (b) Evaluation of individual project activities, and
- (c) Donor review meeting called as necessary to examine the programme as a whole.

The PPMS has to set its own bench-mark and needs to come up with a comprehensive monitoring and evaluation system that would be acceptable to most donors so as to avoid wasteful duplication. In any case, for the PPMS to function effectively and according to expectations, appropriate funding and support from the donors will be required.

## 4. Donor support and follow-up action

Donors were called upon to clearly indicate their areas of interest in the proposed programme, and to state as clearly as possible the time frame and their proposed plan of action with regards translating their pledges and commitments into concrete

project activities. In this regard they should clearly state their need for any of the following:

- a. The need or otherwise to field missions to further develop project proposals and the proposed timing of these missions.
- b. Specific directives to the Ministry to go ahead with the preparation of more detailed project proposals.
- c. An indication of specific areas of additional information needed by the donors to enable them make firm commitments on particular project proposals.

## ANNEX I. LIST OF PARTICIPANTS AT THE SECOND DONORS MEETING

<u>Name</u>	<u>Organization/Title</u>
1. Dr. Tesfay Ghermazien	Minister of Agriculture
2. Mr. Birhane Abrehe	Office of the President
3. Mr. Herbert M'Cleod	UNDP Resident Representative
4. Mr. Ariel Kerem	Israel Embassy, Ambassador
5. Mr. Alemseged Tesfai	Land Commissioner
6. Mr. Ghebrekristos Mesmer	V. Minister of Agriculture
7. Mr. Mebrahtu Iyassu Mehari	V. Minister of Agriculture
8. Dr. Tekeste Ghebray	Ministry of Agriculture
9. Mr. Ghebrehiwot Taeme	Ministry of Agriculture
10. Mr. Haile Awalom	Ministry of Agriculture
11. Mr. Tekleab Mesghena	Ministry of Agriculture
12. Mr. Semere Amlesom	Italian Cooperation
13. Mr. D. Bruzzone	Italian Cooperation
14. Mr. Marco Platzter	Istituto Agronomico per L'Oltremare
15. Ms. Marina Puccioni	Istituto Agronomico per L'Oltremare
16. Mr. Peter Dewees	World Bank
17. Mr. Charles Mangua	African Development Bank
18. Ms. Diop Fatou Sow	African Development Bank
19. Mr. Gabriele Altana	Embassy of Italy
20. Mr. Klaus Pilgram	GTZ
21. Mr. Hermanbn Thorwart	GTZ, Adviser MOA
22. Mr. Gudrun Landboe	Norwegian Embassy, Addis Ababa (NORAD)
23. Mr. George Lewis	USAID
24. Mr. Bram Voets	LWF/WS
25. Mr. George I. Abalu	UN ECA
26. Mr. Sergio Palladini	Italian Cooperation (MFA)
27. Ms. Barbara Cooney	FAO, Field Programme Development Division
28. Ms. Valeria Menza	FAO, Food and Nutrition Division
29. Mr. Woldeghaber Kidane	FAO
30. Ms. Barbara Schnabl	EU - Consultant
31. Mr. Jean-Pierre Marcelli	CFD - France

32.	Ms. Karin de Jonge	OXFAM (UK and I)
33.	Ms. Beverly Jone	Christian Aid
34.	Mr. Catley Andy	Christian Aid
35.	Mr. Ben Green	Christian Aid
36.	Mr. Lars Leander	UNDP/UNSO
37.	Mr. Woldegebriel Tareke	Redd Barna (Norway)
38.	Mr. Beyene Abraham	British Consulate
39.	Mr. Francois Vandercam	SOS FAIM
40.	Mr. Rudolf Andersen	ADRA
41.	Mr. Ahmed Raji	UNDP
42.	Ms. Samira Strolla	UNDP
43.	Mr. Andom K/Mariam	Ministry of Agriculture
44.	Mr. Dawit Giorgis	Ministry of Agriculture