

I. PROJECT IDENTIFICATION

1. PROJECT TITLE
Opportunities Industrialization Center/Kenya (OICK)

2. PROJECT NO. (M.O. 1093.2)
615-11-420-159

3. RECIPIENT (specify)
 COUNTRY **Kenya**
 REGIONAL INTERREGIONAL

4. LIFE OF PROJECT
 BEGINS FY **73**
 ENDS FY **74**

5. SUBMISSION DATE
 ORIGINAL **April 19, '72**
 REV. NO. _____ DATE _____

APPENDIX ATTACHED
 YES NO *34p.*

CONTR./PASA NO. _____

II. FUNDING (\$000) AND MAN MONTHS (MM) REQUIREMENTS

A. FUNDING BY FISCAL YEAR	B. TOTAL \$	C. PERSONNEL		D. PARTICIPANTS		E. COMMODITIES \$	F. OTHER COSTS \$	G. PASA/CONTR.		H. LOCAL EXCHANGE CURRENCY RATE: \$ US _____ (U.S. OWNED)		
		(1) \$	(2) MM	(1) \$	(2) MM			(1) \$	(2) MM	(1) U.S. GRANT LOAN	(2) COOP COUNTRY (A) JOINT (B) BUDGET	
1. PRIOR THRU ACTUAL FY												
2. OPRN FY 73	407	257	284	11	8	70	69	407	284			
3. BUDGET FY 74	413	309	420	11	8	-0-	93	413	420			
4. BUDGET +1 FY												
5. BUDGET +2 FY												
6. BUDGET +3 FY												
7. ALL SUBQ. FY												
8. GRAND TOTAL	820	566	704	22	16	70	162	820	704			

9. OTHER DONOR CONTRIBUTIONS

(A) NAME OF DONOR	(B) KIND OF GOODS/SERVICES	(C) AMOUNT

III. ORIGINATING OFFICE CLEARANCE

1. DRAFTER Robert E. Climer/Donald W. Murray	TITLE Development Trg. Officer Asst. Program Officer	DATE
2. CLEARANCE OFFICER Charles A. James	TITLE Actg. Director, USAID/Kenya	DATE

IV. PROJECT AUTHORIZATION

1. CONDITIONS OF APPROVAL

2. CLEARANCES

BUR/OFF.	SIGNATURE	DATE	BUR/OFF.	SIGNATURE	DATE

3. APPROVAL AAs OR OFFICE DIRECTORS

SIGNATURE:	DATE	SIGNATURE	DATE

4. APPROVAL A/AID (See M.O. 1025.1 VI C)

SIGNATURE	DATE

TITLE _____ ADMINISTRATOR, AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT NO.
615-11-20-159

SUBMISSION

(Number)

DATE

 ORIGINAL REVISION

04-19-72

PAGE 2 of 13 PAGES

Introductory Note

This proposed project for Opportunities Industrialization Center/Kenya (OICK) is an outgrowth of the original OIC training concept, which started in Philadelphia in 1964 and is now manifested in 105 U.S. Centers and six foreign countries. The present PROP is the result of collaborative efforts by the local OIC Kenya Board of Directors, the local Program Coordinator, the OIC International Planning Team, and the USAID/Kenya Project Manager. While it is modeled on the Philadelphia prototype, it has been intensely researched and thoroughly reviewed so that it reflects the realities of the Kenyan milieu.

A. Statement of Goal

1. Goal

The project goal is to increase the ability of Kenyan laborers to secure and hold jobs requiring medium-level technical skills. With minimal inputs and by successfully applying proven OICI techniques, the project will achieve its goal through establishment or realization of the following:

- a. a job training program for those who did not have the opportunity to continue their education long enough to be trained for a skill.
- b. a program dependent on the trainees and their indigenous teachers sharing the program decision making.
- c. a program which undertakes "hard-sell" as well as "soft-sell" recruitment of potential trainees.
- d. a program interested in psychological reconditioning, if needed, as a priority to the learning of the job skill itself.
- e. a program which trains directly and as quickly as possible for jobs which are available with employers committed to trainees who achieve job entry capability.

2. Measurement of Goal Achievement

The foremost criterion for evaluating achievement of Project Goal will be OICK's proven ability to secure medium-skilled jobs for Kenyan trained. This will be measured in terms of the ratio of OICK-trained Kenyans who are placed and retained in such jobs. The target placement referral ratio is 100%; the target retention ratio by the end of the second year is 80%.

Documentation for verifying goal achievement will be available in OICK's Central Records Unit, bi-weekly reports to OICI/Philadelphia and periodic reports to the USAID Mission in Kenya and to AID/W. In addition, periodic in-person progress checks will be made by the OIC International Director.

PROJECT NO. 615-11-420-159	SUBMISSION <input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> REVISION _____	(Number)	DATE 04-19-72	PAGE 3 of 13 PAGES
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3. Important Assumptions Related to Goal

The most important assumptions related to goal achievement are that the Kenyan economy will continue to grow at a rate comparable to that of the past five years, and that the country will continue to enjoy political stability.

B. Statement of Project Purpose

1. Purpose

The purpose of the project will be to develop a technical training institution based on OICI methodology, which can serve effectively as a model for other similarly-oriented training efforts in Kenya. The new institution (OICK) will be capable of marshalling local resources and will have a staff of trained teachers and administrators who can transfer their skills and understandings to others. Inherent in this purpose is the intent to test the efficacy of non-formal training and to demonstrate the importance of individual initiative, self-reliance, self-help, and community involvement in the rehabilitation of the unemployed and the underemployed.

2. End of Project Status

Project purpose will have been achieved when OICK has institutionalized its training techniques in its own organization, and established a program which is reproducible and being used as a model by other training institutions in Kenya.

a. Institutionalized Techniques: OICK will have a staff of approximately 24 trainers, counselors, and other specialists who will be sufficiently versed in the OICI approach not only to train Kenyans according to this approach, but also to train trainers from other institutions in its use. OICK also will have in use detailed syllabi for all courses. These syllabi will be suitable for adaptation and use by other Kenyan training institutions.

b. Reproducible Successes: The OICI training methodology will have been adopted for use in whole or in part by at least three other major training institutions in Kenya by the end of the second year of the project.

3. Important Assumptions Related to Purpose

a. There will be no broad national policy changes relative to the operation of private training institutions which would have adverse effects on the OIC Kenya program.

b. Local support and cooperation from the business community and other training institutions will be forthcoming.

c. Qualified and dedicated manpower to serve on OICK staff will be available continuously during the project period.

C. Statement of Project Outputs

1. Outputs

The fundamental output will be a Kenyan organization capable of projecting its unique approach to self-help training and community involvement into a wider Kenyan perspective. This basic output will result in accelerating the production of trained manpower, the institutionalization of entrepreneurial and management techniques, and the introduction of self-evaluative methods which rapidly respond to changing manpower needs.

The new and dramatically different organization and approach to structuring OIC Kenya, resulting from the inputs described below, will attempt to achieve successes potentially reproducible throughout Kenya through the application of new methods, focus on attitudinal development, new combinations of inputs and new techniques of upgrading and motivating both local trainees and officials. The following are the more detailed elements of the Kenyan organizational capability to be produced as the direct consequence of project inputs.

a. Training and Job Placement

A structured format for direct contacts with employers, and an Industrial Relations Department in OICK charged with the responsibility of obtaining current information about labor needs, employment opportunities, technological changes, job requirements, and industry changes which would be of significant value in the planning of training, counseling, and placement of trainees.

b. Guidance and Counseling Services

An institutionalized capability to provide professional, comprehensive guidance and counseling which encompasses educational, vocational, social, psychological, economic and personal factors in an effort to help each trainee attain social and financial independence through self-improvement and employment.

c. Detailed syllabi for all training courses.

d. A series of seminars for other training institutions and for members of the local business community. These seminars will serve to demonstrate the value of the OIC approach both as a training methodology and as a valuable aid to developing responsible and capable employees.

PROJECT NO. 615-11-420-159	SUBMISSION <input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> REVISION _____	(Number)	DATE 04-19-72	PAGE 5 of 13 PAGES
--------------------------------------	--	----------	-------------------------	----------------------------------

e. Trainees who have completed the OIC program and been placed in jobs.

f. Formation of community action committees to gather data relative to securing essential services needed by the community and to obtain support for certain projects deemed important to these communities.

2. Output Indicators

a. On-going program of regular contacts with employers in need of trained personnel.

b. On-going program of professional, comprehensive counseling for all OICK trainees. By the end of the second year of the project, all direct counseling of trainees will be conducted by Kenyan staff.

c. Completed training and orientation of ⁵ten top local staff in Philadelphia the first year. During the first year, these will include the Program Coordinator, Training Supervisor, Industrial Relations Specialist, Finance Officer, and the Curriculum Development Specialist. In the second year, those trained will include the Entrepreneurial Management Specialist and four instructors.

d. Regular series of seminars at other training institutions and at local businesses. Actual numbers of seminars to be given cannot be specified.

e. Completed training for 200 Kenyans during the first year, of whom at least 50 will be placed that year. By the end of the second year, the program will be training and placing at a rate of 200 per year.

f. Formation of five community actions groups the first year and five the second year.

3. Important Assumptions Related to Outputs

The basic assumptions related to outputs are that OIC Kenya will receive timely and adequate funds as defined in the budget; that the labor market does have a large and growing need for trained and motivated laborers, as demonstrated by research and discussions with employers, the Chamber of Commerce, the Kenyanization Bureau, etc.; that the short-term, maximum intensive program designed by OIC can be implemented without drastically lengthening the courses offered; and that there will be no change in the attitude of the Government which might impair OICK's effectiveness.

D. Statement of Project Inputs

1. Inputs

All project inputs will be administered through an A.I.D. Task Order with

PROJECT NO. 615-11-420-159	SUBMISSION <input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> REVISION _____	(Number)	DATE 04-19-72	PAGE <u>6</u> of <u>13</u> PAGES
-------------------------------	--	----------	------------------	----------------------------------

OICI/Philadelphia. The general dimensions and limits of USAID's support to OIC projects have been established in the Guidelines for A.I.D. Support in Establishing an OICI Central Office and Current Activities in Africa under Basic Agreement No. AID/afr-653 (dated January 1972). OICI recognizes the importance of OICK assuming as much of the start-up and recurrent costs as practical. Subject to availability of funds, USAID support will include the following:

a. U.S. Personnel: Eleven American personnel. Two will arrive at the start of the project; four will arrive three months after project start up; and the remaining five will arrive six months after starting. Some activities may develop which require and can justify additional personnel. Such instances will have to be judged and approved by the Mission and AID/W on their individual merits.

b. Commodities: AID will provide support for initial commodities for use in the first three areas of training to be offered as follows:

Secretarial Science Program - transcribing machines, type- writers, mimeograph machines, etc.	\$ 23,000
Auto Service Mechanics - tools, testing equipment, manuals, etc.	9,000
Building Trades -	
Electricity	9,000
Brick Masonry	7,000
Carpentry	7,000
Sub-total	\$ 55,000

In addition, AID will furnish two vehicles (\$8,000), commodities required for support of offices (desks, chairs, consumable office supplies) worth approximately \$4,000 and for feeder programs (visual aids, training aids, etc.) worth about \$3,000.

Total All Commodities \$ 70,000

c. Participants: Key members of the local staff will be sent to the U.S. for orientation in OIC philosophy, techniques and procedures. Five such participants will be sent the first year, and five the second year.

d. Other Costs: OIC will raise funds to cover salaries of as many local OIC staff as possible. As required, however, AID will support salary costs for local OIC staff for up to 24 months each for up to 24 positions.

PROJECT NO.	615-11-420-159	SUBMISSION	(Number)	DATE	PAGE	7	of	13	PAGES
		<input checked="" type="checkbox"/> ORIGINAL	<input type="checkbox"/> REVISION	04-19-72					

All logistic support for OIC teams including housing, household furnishings, official transportation, and local and international official travel will be provided by AID.

AID will finance 10 round trips to the U.S. during the first two years of the project for Kenyans other than OICK staff. These trips will be for the purpose of exposing selected Board Members and key personnel from other Kenyan training institutions or from the local business community to the OIC program at the Philadelphia home office. Each such trip would be of approximately two weeks duration.

e. Other local costs for such items as utilities, printing, building rental, repairs and maintenance, and as much of the local staff as possible will be covered by cash or kind contributions from local supporters. An estimated budget for these items for the first year of operation is shown in Attachment B. Second year contributions are tentatively estimated at \$100,000.00.

2. Budget: See Attachment A.

3. Important Assumptions Related to Inputs

a. Availability of Kenyans who can be trained effectively in the OICI training methodology.

b. That project commodities will arrive in a timely fashion.

c. That OICK will be able to acquire adequate physical plant for efficient and economical administration of the program. Further, it is assumed that the physical plant will provide adequate space for offices, classrooms, and shop space.

d. That where it is not possible for the local program to provide facilities, USAID will support rents for up to two years.

e. That no changes will obtain in the USAID policy position in its relationships with OICI.

F. Rationale

One of the primary development objectives of an LDC is the rapid expansion of its modern sector. This effort, however, is many times proscribed by shortages of skilled manpower in all functional levels. The GOK is intensely interested in expanding this sector in Kenya by the active support of a dynamic business community and by eliminating such anomalies as the following:

PROJECT NO.	615-11-420-159	SUBMISSION	(Number)	DATE	PAGE	of	PAGES
		<input type="checkbox"/> ORIGINAL	<input type="checkbox"/> REVISION	04-19-72	8		13

1. A large unemployed or underemployed labor force, while at the same time job opportunities are going unfilled.
2. Persistent lack of sufficient vocational training facilities despite the obvious and substantial need for a better trained labor force.
3. A large and growing unskilled population with rising expectations which are ultimately denied despite actual and projected high rates of growth in industry and business.

The magnitude of Kenya's unemployment is widely recognized and has been the subject of considerable study. A major conference to discuss the problem and possible solutions was held at Kericho in 1966. Conclusions reached at that meeting are still cited as a basis for assault on the problem. Hardcore unemployment was then estimated to be 200,000 and underemployment was estimated at 500-700,000 man-year equivalents. Unemployment and underemployment in Nairobi was pegged at 75% of the labor force.

The complexity of the problem becomes more apparent if one considers the impact of steadily advancing technology and the consequent requirement for progressively more skilled labor. In the face of such a situation, the untrained and poorly trained become increasingly less able to compete in the labor market -- not only against those better prepared persons, but against the various job requirements themselves.

While OICK was never intended as a panacea for Kenya's unemployment problems, it does provide a reasoned and highly structured program which can make a substantial contribution. The task of the OICK will be to train and retrain the unemployed, the underemployed and eventually the theoretically unemployable persons of the Nairobi metropolitan community, and to assist other training institutions upgrade their curricula and basic training methodology. The OICK target population represents the untapped talent and unknown skill which presently goes about unutilized or underutilized in the community. It will be the purpose of OICK to help these people embrace the concept of self-help as they acquire the necessary training and skills which will enable them to secure employment and make their contributions to society.

The OICK program of systematic training begins at a level appropriate to the background of each trainee and carries the trainee to the point where he meets the basic entry level requirements of jobs in semi-skilled or skilled occupations. Training in basic educational skills and job-social orientation are as important as specific technical training.

A special pre-skill training phase emphasizes the development of such basic educational skills as reading, writing and arithmetic, and includes development of such traits as good personal grooming and hygiene, a conscientious attitude toward employment, and an awareness of the expectancies of the labor market. Constant assessment of the readiness of each trainee for skill training forms an integral part of this phase of training.

PROJECT NO.	615-11-420-159	SUBMISSION	(Number)	DATE	PAGE	9	of	13	PAGES
		<input checked="" type="checkbox"/> ORIGINAL	<input type="checkbox"/> REVISION	04-19-72					

Training begins with enrollment in the prevocational Feeder Program. The new trainee goes through a period of thorough vocation-oriented counseling which includes testing and evaluation of the trainee's capabilities, aptitudes, attitudes, and skills. This training is conducted in such fashion that the trainee receives repeated encouragement and reinforcement as he develops improved attitudes and achieves the required level of self-motivation. Once the trainee is considered to be properly motivated, he is ready for vocational skills training.

Throughout this process, individualized counseling, familiarization with the skills needed for successful job entry, and necessary basic education are provided to the trainee. The trainee is then placed into an entry or advance skilled training program at the OICK vocational training center. Alternatively, the trainee may be placed in a job for on-the-job training if an employer is satisfied with results of the prevocational training phase.

In addition to the technical and vocational training that the trainee will receive at the OICK training center, remedial work in basic educational skills, additional job orientation, attitudinal development and intensive counseling will be provided. The trainees receive individualized instruction until they can meet the standards for entry into the job market. Some trainees will probably be placed on a job even prior to completing the prescribed vocational training in instances where the trainee demonstrates unusual progress, the employer is willing to assume the advance training responsibility, or further skills training would not be necessary to qualify the trainee for a given job opportunity.

Anticipated cooperation with employers will, more often than not, enable trainees to upgrade their skills and complete OIC course requirements through on-the-job supervision. These and other alternatives will be continually explored to insure all trainees are able to take maximum advantage of OICK training.

The Kenya OIC will concentrate initially on school leavers and other young adults, usually age 16 years and older. Approximately two-thirds of the trainees will be underemployed and the other one-third will be from the totally unemployed. The Kericho Conference discovered that a boy who completes primary school at age 13 or 14 and fails to find a place in secondary school or to enter a vocational training school has no further opportunity of formal education or training (although village polytechnics do alleviate the problem somewhat). Moreover, in the prevailing state of the labor market, he cannot hope to get a paid job and is on the young side even for practical training in agriculture or craftwork.

Although the required need for training the Kenya labor force extends beyond this group of young adults, OICK is initially directing its program to this segment of the Kenyan labor force. Once the program gains more momentum and experience, it will branch out to include other persons and tackle the very difficult problem of providing training for those people of all ages who need training at the basic literacy level.

Potential OIC trainees will not fall into any set pattern or group. They will manifest a wide range of problems which will require, besides basic

PROJECT NO.	615-11-420-159	SUBMISSION	(Number)	DATE	PAGE	10	of	22	PAGES
		<input checked="" type="checkbox"/> ORIGINAL	<input type="checkbox"/> REVISION	04-19-72					

educational skills, intense counseling and guidance. Most of these persons, while having some formal training, will have very little or no experience or background in technical training. The fact that most will be coming from rural areas into an urban center will itself create economic and social problems which cannot be solved with just skill training alone.

The Kenya OIC will provide one answer to the needs of this deprived population. OIC will train both males and females to compete in the labor market. Such a successful experience in manpower training will provide the needed impetus for self-development and increased job opportunities.

F. Course of Action

<u>Action Item</u>	<u>Target Date for Completion</u>
1) American Field Staff Identification and Notifications	Start to 6 mos.
2) Local Program Staff Identification	" " " "
3) American Field Staff Selection	" " " "
4) Local Orientation	" " " "
5) American and Local Field Staff Orientation	" " " "
6) Local and American Vocational Staff Identification	" " " "
7) American and Local Vocational Staff Selection and Orientation	" " " "
8) Order Commodities	" " " "
9) Local Class Planning and Preparation	7th month
10) First Feeder Group Start-Up	7th month
11) Class Research and Planning	On-going
12) Second Feeder Group Start-Up	11th month
13) First Vocational Group Start-Up	" "
14) First Vocational Group Completion	17th month
15) First Vocational Group Placement	" "
16) First Vocational Group Follow-Up	17th month & on-going
17) Comprehensive Program Evaluation and Preparation of Life-of-Project PROP	18th month

PROJECT NO.	615-11-420-159	SUBMISSION	(Number)	DATE	PAGE	11	of	13	PAGES
		<input type="checkbox"/> ORIGINAL	<input type="checkbox"/> REVISION	04-19-72					

F. Narrative Statement

Development of OICK as a completely self-supporting, fully Kenyan institution will take six years. This PROP, however, covers only the first two years. In the middle of the second year, the project will be thoroughly evaluated and a life-of-project PROP will be written.

Details regarding major action items during the first two years covered by this PROP are as follows:

Position and Duties

Arrival in Kenya

a. Program Advisor:

At start of project

The OICI representative who heads the project; counterpart to the local Program Director. Provides liaison between OICI, OICK and USAID/Kenya.

b. Industrial Relations/Job

At start of project

Development Specialist: Develops liaison with business, industrial and government organizations to facilitate placement of OICK trainees.

c. Administrative Assistant:

3 months after start of project

In charge of finance matters, housing, property control, purchasing, travel, etc.

d. Training Supervisor:

3 months after start of project

Develops, administers, and coordinates the educational, prevocational and vocational training programs.

e. Feeder Training Specialist:

3 months after start of project

Coordinates and sets up the basic education courses for prevocational training (English, mathematics, etc.)

f. Counseling Specialist :

3 months after start of project

Works with trainees in the prevocational programs to determine entry level, resolution of personal problems, build attitudes, etc.

PROJECT NO.	SUBMISSION	(Number)	DATE	PAGE
615-11-420-159	<input checked="" type="checkbox"/> ORIGINAL	<input type="checkbox"/> REVISION		12 of 13 PAGES

g. Vocational Specialists (4):
 These specialists (secretarial science (1), auto mechanics (1) and building trades (2) will teach specific skills in the pre-vocational and vocational programs.

Six months after start of project.

h. Entrepreneurial Specialist:
 Examines, analyzes, and interprets community needs in the development of small-and medium-size industrial enterprises; develops, organizes, and implements business management training.

Six months after start of project

All eleven of these U.S. technicians will work through the second year of the project. At the end of the second year, the four vocational specialists will be phased out. At the end of the fourth year, the training supervisor, counseling supervisor, feeder training specialist, and administrative assistant will be phased out. The Program Advisor, Industrial Relations/Job Development Specialist and Entrepreneurial Specialist will remain through the tentatively projected six year total life of the project.

Local Staff Development

The following personnel will be recruited and trained during the first two years:

Local Staff

Recruitment

Program Director	At start of project
Training Supervisor	3 mos. after start
Ind. Rel./Job Dev. Spec.	" " " "
Entrepreneurial Management Spec.	6 mos. after start
Finance Officer	3 mos. after start
Counseling Supervisor	" " " "
Counselor	5 " " "
Counselor	" " " "
Feeder/Curriculum	3 " " "
Feeder Instructor	" " " "
Feeder Instructor	" " " "
Feeder Instructor	" " " "
Vocational Instructor	" " " "
Vocational Instructor	" " " "
Vocational Instructor	" " " "
Vocational Instructor	" " " "
Vocational Instructor	" " " "
Vocational Instructor	" " " "
Vocational Instructor	" " " "
Secretary (Local Support)	At start of project
Secretary	" " " "
Secretary	3 mos. after start

PROJECT NO. 615-11-420-159	SUBMISSION <input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> REVISION _____	(Number)	DATE 04-19-72	PAGE 13 of 13 PAGES
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Curriculum Development

Specific syllabi will be developed for training programs. These syllabi will be based partly on guides from OICI and partly on adaptations of training materials in use by other Kenyan training facilities. They will initially cover the building trades, secretarial science, and auto service mechanics.

Actual Training and Placement

Two-hundred trainees will enter the feeder program, and by the end of the first year fifty will have been trained and placed. By the end of the second year, the project will be training and placing at the rate of 200 per year.

Coordination with other training activities such as the Ramogi Institute of Advanced Technology, Kiambu Institute of Science and Technology, National Industrial Vocational Training Center, Village Polytechnics, Christian Vocational Training Center, etc. will take place through seminars conducted by OICK staff to present and promote OICK techniques and methodology and to take advantage of adaptable methods developed by these institutions.

The OICK staff will develop contractual arrangements (with payments to be made in cash or kind) with other training institutions and with employers to provide specific kinds of training for institutional staff and employees whose skills need upgrading.

Commodities ordered and delivered are critical to the operation of the training program. Undue delay in shipment and receipt of commodities, especially those related to the specific training programs, will greatly distort the planned phase-in schedule.

Invitational Travel

Ten Kenyans will be sent on orientation trips to OICI/Philadelphia during this period. Those selected will be OICK Board Members, influential (to OICK) citizens, members of community organizations, etc., whose knowledge and understanding of OICI are important to OICK's progress and development.

AID 1025-1A (7-71) (NARRATIVE DESCRIPTION)

PROJECT NO. 615-11-420-159	SUBMISSION <input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> REVISION _____	(Number) DATE 4-19-72	PAGE 1 of 5 PAGES
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BUDGET SUMMARY

<u>Item</u>	<u>First Year</u>		<u>Second Year</u>		<u>Total</u>	
	<u>\$</u>	<u>(mm)</u>	<u>\$</u>	<u>(mm)</u>	<u>\$</u>	<u>(mm)</u>
I PERSONNEL						
A. U.S.						
1. Salaries & Benefits	136,500		198,200		334,700	
2. Education Allowances	8,630		12,650		21,280	
3. Travel, Trans., & Storage	58,615		20,000		78,615	
Sub-total U.S. Personnel	203,745	(90)	230,850	(132)	434,595	(222)
B. Local staff	53,768	(194)	77,987	(288)	131,755	(482)
Sub-total all Personnel	257,513	(284)	308,837	(420)	566,350	(704)
II PARTICIPANTS	10,900	(3)	10,900	(8)	21,800	(16)
III COMMODITIES	70,000		-0-		70,000	
IV OTHER COSTS						
A. Housing	27,000		39,600		66,600	
B. Furnishings	22,500		33,000		55,500	
C. Invitational Travel	8,110		8,110		16,220	
D. Other Direct Costs	11,840		12,200		24,040	
Sub-total O.C.	69,450		92,910		162,360	
TOTAL	<u>407,863</u>		<u>412,647</u>		<u>820,534</u>	

AID 1028-1A (7-71) (NARRATIVE DESCRIPTION)

PROJECT NO. 615-11-420-159	SUBMISSION	(Number)	DATE	PAGE 2 of 5 PAGES
	<input checked="" type="checkbox"/> ORIGINAL	<input type="checkbox"/> REVISION	4-19-72	

BUDGET DETAIL

	<u>Months on Project First year</u>	<u>First year</u>	<u>Second year</u>
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I PERSONNEL

A. U.S. Personnel

1. Salaries and Benefits

Program Advisor	12	\$ 16,000	\$ 16,000
Industrial Relations/Job Development Specialist	12	16,000	16,000
Entrepreneurial Specialist	6	8,000	16,000
Administrative Assistant	6	12,000	16,000
Training Supervisor	6	12,000	16,000
Feeder Training Specialist	9	12,000	16,000
Counseling Specialist	9	12,000	16,000
Vocational Specialist	6	8,000	16,000
Vocational Specialist	6	8,000	16,000
Vocational Specialist	6	8,000	16,000
Vocational Specialist	6	8,000	16,000
	<u>90</u>	<u>\$ 120,000</u>	<u>\$ 176,000</u>

Fringe Benefits, U.S.

	<u>Basis</u>	<u>Rate</u>		
Retirement Plan		6%/yr.	\$ 7,200	\$ 10,565
Employers FICA (Salary cut- off \$9,000) figure as \$94,020 first year and \$99,000 the second		5.2%/yr.	4,884	\$ 5,148
Medical Insurance		2.5%/yr.	3,000	4,400
Group Life Insurance		1%/yr.	1,200	1,760
Workman's Compensation		.018%/yr.	216	327
Sub-total Fringe Benefits			\$ 16,500	\$ 22,200
Sub-total Salaries & Benefits			\$136,500	\$198,200

2. Education Allowances (\$1,150/ employee/year; 11 employees second year; 0.6821 phase-in factor first year)			\$ 8,630	\$ 12,650
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PROJECT NO. 615-11-420-159	SUBMISSION <input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> REVISION _____	(Number)	DATE 4-19-72	PAGE 33 of 56 PAGES
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3. <u>Travel and Transportation</u>	<u>Basis</u>	<u>Rate</u>	<u>First year</u>	<u>Second year</u>
U.S. Travel for orientation (based on 9 new employees with family)				
Philadelphia orientation flight (employee & wife)	18 trips	\$ 300	\$ 5,400	
Subsistence in orientation (9 employees x \$105/wk)	9 weeks	945	8,505	
Per Diem (for wives 5-day orientation x 9 wives)	45 days	25	1,125	
Local Travel orientation (9 employees x \$10/wk)	9 weeks	90	810	
Lodgings in orientation (9 employees x \$100/mo)	2 months	900	1,800	
Transportation - Local			1,000	
			<u>\$ 18,640</u>	
 <u>International Travel</u>				
Philadelphia - Nairobi, one way (9 x family of 3)	27 trips	600	16,200	
Temporary Quarters	45 days	30	1,350	
African Trip	11 trips	75	825	
Per Diem	100 days	25	2,500	
Vehicular Travel	18,000 m.	20¢ m.	3,600	
			<u>\$ 24,475</u>	
 <u>Shipment & Storage</u>				
Household Shipment (one way)	9 ships	\$ 1,000	\$ 9,000	
Household Storage (one year)	11 empl.	500	5,500	
Supplies & Equipment Shipments	10 ships	100	<u>1,000</u>	
			<u>\$ 15,500</u>	
Sub-total Travel & Transportation			\$ 58,615	\$ 20,000*
Total U. S. Personnel Costs			\$203,745	\$ 230,850

*Rough estimate.

	Months on Project <u>First year</u>	<u>First year</u>	<u>Second year</u>
B. <u>Local Staff Salaries</u>			
Program Director	12	\$ 7,280	\$ 7,280.00
Training Supervisor	9	4,500	6,008.00
Ind. Rel./Job Dev. Spec.	9	3,897	5,190.00
Entrepreneurial Management Specialist	6	2,598	5,190.00
Finance Officer	9	3,897	5,190.00
Counseling Supervisor	9	2,583	3,438.00
Counselor	7	1,820	3,125.00
Counselor	7	1,820	3,125.00
Feeder/Curriculum	9	1,782	2,381.00
Feeder Instructor	7	1,260	2,165.00
Feeder Instructor	7	1,260	2,165.00
Feeder Instructor	7	1,260	2,165.00
Feeder Instructor	7	1,260	2,165.00
Vocational Instructor	7	1,631	2,800.00
Vocational Instructor	7	1,631	2,800.00
Vocational Instructor	7	1,631	2,800.00
Vocational Instructor	7	1,631	2,800.00
Vocational Instructor	7	1,631	2,800.00
Vocational Instructor	7	1,631	2,800.00
Vocational Instructor	7	1,631	2,800.00
Vocational Instructor	7	1,631	2,800.00
Secretary (Local Support)	12	2,000	2,000.00
Secretary	12	2,000	2,000.00
Secretary	9	<u>1,503</u>	<u>2,000.00</u>
Sub-total Local Staff	194	\$ 53,768	\$77,987.00
Total all Personnel		\$257,513	\$308,837.00

II PARTICIPANTS

1. International Travel: Five round trips each year @ \$1250	\$ 6,250	\$ 6,250
2. Per Diem: (20 days) (\$23) plus (22 days) (\$8) = \$536, rounded to \$550 per participant. Five participants each year	2,750	2,750
3. Local Travel in U.S.: \$80 per participant: Five each year	400	400
4. OICI training fee: \$300 per participant: Five each year	<u>1,500</u>	<u>1,500</u>
Sub-total Participants	\$ 10,900	\$ 10,900

PROJECT NO. 615-11-420-159	SUBMISSION <input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> REVISION	(Number)	DATE 4-29-72	PAGE 5 of 5 PAGES
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	<u>First year</u>	<u>Second year</u>
III COMMODITIES		
Instructional Equipment	\$ 55,000	
Vehicles (two)	8,000	
Audio Visual & Training Aids	3,000	
Office Equipment & Supplies	<u>4,000</u>	
Sub-total Commodities	\$ 70,000	-0-
IV OTHER COSTS		
1. Housing: Full annual cost for 11 employees @ \$3,600 = \$39,600 First year cost based on phase-in factor of 0.6821 = \$27,000	\$ 27,000	\$ 39,600
2. Furnishings: Full annual cost for 11 employees @ \$3,000 = \$33,000 First year cost based on phase-in factor of 0.6821 = \$22,500	22,500	33,000
3. Invitational travel for 5 non-OICK Kenyans each year: \$1,250 int'l. transportation + 14 days @ \$23 equals \$322 p.d. + \$50 domestic travel in U.S. = \$1622 each	8,110	8,110
4. Consultant fees: 21 days first year and 30 days second year @ \$100/day	2,100	3,000
5. Office Space rental @ \$200/mo.	2,400	2,400
6. Communications: Basic annual rate \$2400. First year: \$2400 X 0.6821 equals \$1640	1,640	2,400
7. OIC U.S. Employee Training/Orientation: 9 @ \$300	2,700	-0-
8. Supplies	<u>3,000</u>	<u>4,400</u>
Sub-total Other Costs	\$ 69,450	\$ 92,910

AID 1025-1A (7-71) (NARRATIVE DESCRIPTION)

PROJECT NO. 615-11-420-159	SUBMISSION <input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> REVISION _____	(Number) DATE 4-19-72	PAGE 1 of 1 PAGES
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OIC KENYA
Projected Cash or in-kind Contributions
1st Year

<u>Salaries</u>	<u>Number</u>	<u>Rate</u>	
Clerk/Typist	4	\$ 1,370	\$ 5,480
Custodians	5	1,322	6,610
Watchman	2	1,322	2,644
Messenger	2	1,322	<u>2,644</u>
Total			\$ 17,378
<u>Travel</u>			<u>\$ 2,800</u>
<u>Other Direct Cost</u>			
Hospitality			\$ 1,400
Printing & Stationary			4,200
Utilities			3,500
Insurance of Property			700
Publications and Periodicals			1,400
Other Incidentals			<u>2,800</u>
Total			\$ 14,000
<u>Commodities</u>			6,000
<u>Training Site</u>			
Building			\$ 30,800
Repairs & Maintenance			<u>14,000</u>
Total			\$ 44,800
Total Local Share			<u>\$ 84,978</u>

LOGICAL FRAMEWORK MATRIX - PROP WORKSHEET

Summary	Objectively Verifiable Indicators	Important Assumptions
<p>A.1. Goal</p> <p>To increase the ability of Kenyan laborers to secure and hold jobs requiring medium-level technical skills.</p>	<p>A.2. Measurement of Goal Achievement</p> <p>A 100% placement referral ratio and an 80% retention ratio for OICK trainees by the end of the second year of the project.</p>	<p>A.3. (as related to goal)</p> <p>Political stability and a strong, developing national economy in Kenya.</p>
<p>B.1. Purpose</p> <p>To develop a technical training institution based on OICI methodology which can serve effectively as a model for other similarly-oriented training efforts in Kenya.</p>	<p>B.2. End of Project Status</p> <ol style="list-style-type: none"> 1. Institutionalization of OICI methodology in OICK by: <ol style="list-style-type: none"> a. Developing a staff of approximately 24 trainers, counselors, and other specialists capable of training according to OICI principles. b. Use of the OICI methodology in whole or in part by at least three other major training institutions in Kenya by the end of the second year of the project. 	<p>B.3. (as related to purpose)</p> <ol style="list-style-type: none"> 1. No broad national policy changes inimical to the OICK program. 2. Local support and cooperation from the business community and other training institutions will be forthcoming. 3. Qualified and dedicated local OICK staff continuously available during the project period.
<p>C.1. Outputs</p> <ol style="list-style-type: none"> 1. Structured format for assessment of employment opportunities. 2. Institutionalized capability to provide comprehensive guidance and counseling. 3. Detailed syllabi for all training courses. 4. Seminars for other training institutions and local businessmen. 5. Trainees completing the OICK program and placed in jobs. 6. Formation of community action committees. 	<p>C.2. Output Indicators</p> <ol style="list-style-type: none"> 1. On-going program of regular contacts with employers in need of trained personnel. 2. On-going program of professional, comprehensive counseling. 3. Completed training and orientation of 10 top-level OICK staff at OICI/Philadelphia at end of second year. 4. Regular series of seminars at other training institutions and local businesses (numbers unknown). 5. Completed training of 200 Kenyans during first year, of whom 50 placed first year. Training and placement at rate of 200 per year by end of second year. 	<p>C.3. (as related to outputs)</p> <ol style="list-style-type: none"> 1. Timely and adequate program support as defined in the project budget. 2. Large and growing need for trained and motivated laborers in the Kenyan labor market. 3. The OICK training program as now conceived will serve adequately without major modification. 4. No change in GOK policy which might impair OICK's effectiveness.
<p>D.1. Inputs</p> <ol style="list-style-type: none"> 1. U.S. Personnel: Total 11 full time. 2. Local Personnel: Total 24. 3. Commodities: Necessary items for vocational training programs and logistical support. 4. Participants: 5 per year during first two yrs. for in-depth orientation at OICI/Philadelphia. 5. Invitational Travel: 5 trips per year to Philadelphia for key non-OICK Kenyans. 	<ol style="list-style-type: none"> 6. Five community groups formed first year and five the second. <p>D.2. Budget/Schedule</p> <p>See Attachments A and B to PROP</p>	<p>D.3. (as related to inputs)</p> <ol style="list-style-type: none"> 1. Availability of Kenyans who can be trained effectively in the OICI methodology. 2. Timely arrival of commodities -- particularly those required for the vocational training courses. 3. OICK will be able to acquire adequate physical plant from local contributions, or, if necessary, from USAID. 4. No major changes in the AID-OICI policy position which might adversely affect OICK operations.



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TELEGRAM

One Project Prop

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PAGE 01 STATE 021819

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ORIGIN AID-30

INFO OCT-01 AF-05 E-03 INR-06 1045 R

File Kenya project

66631
DRAFTED BY: JKNOLL AFR/EAF
APPROVED BY: JKNOLL, DIR., AFR/EAF
AFR/EAF: JATURMAN
AFR/EAF: JCANNING
AFR/DP: JGOVAN
DISTRIBUTION: 3D ACTION AFR INFO GC ACONT ACC AAPC SRD 30PI
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R 080102Z FEB 72
FM SECSTATE WASHDC
TO AMEMBASSY NAIROBI

UNCLAS STATE 021819

AIDAC

SUBJECT: OICI

REFERENCE A NAIROBI 601 B. STATE 10476 C. STATE 12523

1. RE PARA 2 REFTEL A, DIALLO INFORMED BY LYMAN AND KNOLL ON TWO OCCASIONS THAT FY 72 FUNDS NOT RPT NOT AVAILABLE EXCEPT THROUGH SAVINGS IN FUNDS ALREADY CONTAINED T.O. 4. REGRET IMPOSSIBLE VIEW TIGHT FUNDING THIS YEAR TO SUPPLEMENT T.O. 4 FUNDS. SINCE FULL SCALE KENYA PROJECT NOT INCLUDED IN FY 72 CP ALLOCATION BI. LATERAL PROGRAM FUNDS NOT POSSIBLE.

2. ABOVE CONFIRMED BY LETTER OF JANUARY 24 TO DIALLO WHICH ALSO STATED IF KENYA ACTIVITY APPROVED AID HOPES TO PROVIDE FINANCING EARLY FY 73 SUBJECT CONGRESSIONAL ACTION AND AVAILABILITY OF FUNDS. LETTER NOTED THAT EXPECTED TIGHTNESS FY 73 FUNDS MAY PRECLUDE UNDERTAKING AS LARGE A PROJECT AS DESCRIBED IN OICI PROPOSAL NOW UNDER REVIEW USAID. SCOPE AND SIZE OF PROJECT SHOULD BE CRITICALLY AND OBJECTIVELY REVIEWED BY USAID SINCE FUNDS WILL RPT WILL BE TIGHT FY 73 AND UNLIKELY AMOUNT PROPOSED OICI WILL BE AVAILABLE, I.E., MORE THAN \$500,000.

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TELEGRAM

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PAGE 02 STATEI 021819

3. AID/W WILLING APPROVE USE T.O. 4 FUNDS TO INITIATE TRAINING IF PROP APPROVED AND IF OICI INDICATES FUNDS REMAIN WHICH CAN BE USED FOR THIS PURPOSE. OICI ADVISED AID/W THAT APPROXIMATELY \$44,000 T.O. 4 FUNDS COMMITTED INCEPTION THROUGH DECEMBER 31, 1971 OF TOTAL OF \$133,256 OBLIGATED FOR OICI ACTIVITIES KENYA AND ETHIOPIA. ESSENTIAL MISSION NOTE T.O. 4 FUNDS COMMITTED BOTH KENYA AND ETHIOPIA WHEN CONSIDERING POSSIBLE USE THOSE REMAINING T.O. 4 FOR STARTUP ACTIVITIES.

4. SINCE AID FUNDS FOR OICI OBLIGATED BY CONTRACT TASK ORDER, NO NEED FOR OBLIGATING PROJECT AGREEMENT WITH GOK. FURTHER SINCE DESIRABLE AVOID USG INVOLVEMENT IN ARRANGEMENTS BETWEEN OICI AND OIC KENYA, GOK COMMITMENT TO PROJECT SHOULD BE THROUGH LETTER TO OIC AND SHOULD BE AT APPROPRIATE LEVEL.

5. RE PARA 5 REFTEL A, AID/W WILLING TO ASSIST MISSION AS FEASIBLE AND WILL REVIEW PROP WHEN SUBMITTED. FOLLOWING REFLECT MAJOR CONCERNS AND COMMENTS AID/W OICI PROPOSAL:

A. RELATIVELY LARGE FUNDING REQUIREMENTS FOR INITIAL TWO YEAR PERIOD (\$1,047,218).

B. BELIEVE POSSIBILITY REDUCED AID FUNDING TOTAL PROJECT NECESSARY V. EW MORE REALISTIC PROBABILITY LOCAL OIC ASSUMING PROGRAM UPON AID/OICI PHASE OUT. MISSION ADVISED ENCOURAGE STRONG LOCAL OIC COMMITMENT PROJECT SUPPORT BOTH CASH/KIND ESTABLISH FIRMLY CONCEPT LOCAL PROJECT SUPPORT IN INITIAL STAGES AND FUTURE.

C. FEW REFERENCES NOTED OICI PROPOSAL TO EXISTING TRAINING ACTIVITIES WITH COMPLEMENTARY RELATIONSHIPS OICI PROJECT. SUGGEST MISSION CAREFULLY CONSIDER MANY RAMIFICATIONS THIS POINT IN ANALYSIS OICI PROPOSAL.

D. HIGH COST PER STUDENT FOR TWO YEAR PERIOD COULD PLACE THE PROPOSED PROGRAM BEYOND LOCAL OIC CAPABILITIES SUPPORT ON TERMINATION AID/OICI ASSISTANCE. APPEARS THE \$84,000 FIGURE IN CASH OR KIND FOR FIRST YEAR SUPPORT BY OIC KENYA MAY REALISTICALLY REPRESENT SUPPORT CAPABILITY.

E. PROPOSED STUDENT/STAFF RATIO OF APPROXIMATELY 1:6 APPEARS HIGH TYPE OF PROGRAM PLANNED. SUGGEST CONSIDERATION RATIO

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TELEGRAM

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PAGE 03 STATE 021819

1115 OR EVEN 1120 WITH RESULT POSSIBLE REDUCTION FUNDING
REQUIREMENTS.

6. ADVISE WHAT AID/W CAN DO AT THIS STAGE. ASSUME MISSION
MAKING ARRANGEMENTS WITH FUHR DIRECTLY.
ROGERS

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TELEGRAM

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PAGE 01 NAIROB 00601 041612Z

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ACTION AID-59

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R 041426Z FEB 72
FM AMEMBASSY NAIROBI
TO SECSTATE WASHDC 7131

UNCLAS NAIROBI 0601

AIDAC

SUBJECT: O.I.C.I.

1. DIALLO, CLARKE, MCQUILLAN, AND LITONDO MET WITH MISSION JANUARY 31 AND FEBRUARY 1 TO DISCUSS PROJECT. IT WAS AGREED OIC/K PREPARE FIRST DRAFT OF PROP ALONG VERBAL AND WRITTEN GUIDELINES SUPPLIED BY MISSION. MISSION AND OICI TEAM TO REVIEW FEB 11. WILL WELCOME REVIEW OF FINAL DRAFT BY FUHR AND SUGGEST ETA O/A FEB 16. WISH TO POUCH PROP O/A FEB 25.
2. OICI ANXIOUS TO COMMENCE IMPLEMENTATION MARCH FY 72. DIALLO INDICATES AID/W SUGGESTED POSSIBILITY OF FUNDS FROM MISSION OR REGIONAL RESOURCES. DIALLO ADVISED FUNDS NOT AVAILABLE IN MISSION BUT LEFT OPEN POSSIBILITY OF WASHINGTON FUND AVAILABILITY FOR FY 72 UPON APPROVAL PROP.
3. OICI/MISSION AGREE DESIRABILITY EXPEDITIOUS IMPLEMENTATION AND AVOIDANCE PROCEDURAL ENTANGLEMENT TO MAXIMIZE CREATIVE INITIATIVE ON PART OF OICI; HOWEVER, MISSION FEELS THERE MUST BE RECOGNITION OF NEED FOR OFFICIAL COMMITMENT BY GOK. THIS MAY REQUIRE ADDITIONAL DOCUMENTATION. IF POSSIBLE, WISH TO AVOID PROAG PROCESS TO SHORTEN TIME AND EMPHASIZE OICI'S MOTIVATION AND COMMITMENT TO CREATIVITY AND FLEXIBILITY. CONFIDENT OICI READY PROCEED NEXT STEP. MISSION URGED CONSIDERATION POSSIBILITY OF IMMEDIATE CLASSES IN SELECTED SUBJECT AREAS BUT OIC EMPHASIZES NEED FOR STAFF TRAINING PRIOR ESTABLISHMENT CLASSES PRECLUDES.
4. MISSION PROPOSES ASSIGNMENT CLIMER PROJECT OFFICER IN LINE WITH COORDINATION ENVISAGED AID/OIC GUIDELINES SUPPLIED MISSION BY DIALLO.

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TELEGRAM

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PAGE 02 NAIROB 00601 041612Z

5. REQUEST AID/W ASSIST MISSION ELIMINATE TRADITIONAL
PROCEDURES PRESERVING STEPS NECESSARY TO INTEGRITY OF PROGRAM
AND BUDGET.
MCILVAINE

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PAGE 01 NAIROBI 06420 201640Z

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INFORMATION AID-31

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R 201437Z DEC 72
FM AMEMBASSY NAIROBI
TO SECSTATE WASHDC 0283

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FM UNCLAS NAIROBI 6420

AIDAC

SUBJECT: OICI

REF: A. STATE 222090
B. ADAMS/SULLIVAN LETTER 12/7/72

1. CLARKE DEPARTED AGAIN FOR U.S. EXPECTED BACK AFTER CHRISTMAS. WHILE IN U.S. WILL URGE OICI PROVIDE ONE STAFF MEMBER ASSIGNED NAIROBI RATHER THAN FORFEIT AVAILABLE FUNDS WHOLLY TO ETHIOPIA.

2. ONE BASIS REFS A AND B IT APPEARS THAT IF KENYA PROGRAM PROCEEDS IT WILL BE ON PRIVATE BASIS VIS-A-VIS GOK, AND WILL NOT BE PART USAID/K'S BILATERAL PROGRAM, THUS NOT REQUIRING PROAG AND OTHER DOCUMENTATION. GOK WILL NEED ASSURANCE KENYA FUNDS NOT BEING USED FOR OIC/K WITHOUT THEIR APPROVAL.

3. WE ALSO ASSUME THAT ANY PROP OR SIMILAR JUSTIFICATION WILL BE DRAFTED IN AID/W FOR PRESENTLY CONCEIVED, LOW-LEVEL INVOLVEMENT AND THAT FUTURE USAID ROLE WILL BE LIMITED TO MINIMUM MONITORING AND EVALUATION AS IN CASE REGIONALLY FUNDED AALC, APSP & AMP ADVISORS RESIDENT IN NAIROBI.

4. REQUEST CONFIRMATION ON ABOVE ASSUMPTIONS.
MCTLVAIN

DP - project file Kenya?

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Department of State

TELEGRAM

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PAGE 01 STATE 178566

64
ORIGIN AID-35

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DRAFTED BY: AFR/ESA:WAWHITTEN
APPROVED BY: AFR/ESA:JKNOLL,DIR.
AFR/ESA:JJOHNSON(DRAFT)
AFR/NAHA:AHOWARD(DRAFT)
AA/AFR:SADAMS(DRAFT)
AFR/DP:EDONOGHUE(DRAFT PARA 6)

DP File
Kenny

DISTRIBUTION: 4A ACTION AFR-25 INFO EXSEC PA PPC 4 GC GCFLD GCAF 35P

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R 292101Z SEP 72
FM SECSTATE WASHDC
TO AMEMBASSY NAIROBI
INFO AMEMBASSY ADDIS ABABA

UNCLAS STATE 178566

AIDAC

SUBJECT: OIC

REFERENCE: STATE 172819

CORRECT REFTEL TO READ:

PARA 2. OIC REPORTED NEGOTIATIONS GOK AND USAID INCLUDING INABILITY SECURING INCOME TAX EXEMPTION STATUS THEIR PERSONNEL BUT STATED THAT APPROVAL RECEIVED WORK PERMITS, DUTY FREE ENTRY HHE ETC. OIC CONTINUED OPTIMISM FOR RECEIVING ULTIMATE GOK APPROVAL THEIR OPERATION AS PRIVATE UNOFFICIAL TECHNICAL ASSISTANCE ACTIVITY PROVIDED AID AGREABLE THIS ARRANGEMENT.

PARA 4. OIC MENTIONED DISCUSSIONS GOK ON PRISON TRAINING AND INDICATED POSSIBLE ADDITIONAL INTERESTS IN AUTOMOTIVE AND CONSTRUCTION AREAS. WE DISAPPROVED PRISON INVOLVEMENT ON BASIS IT HIGHLY SENSITIVE AREA AND TOO RESTRICTIVE. WE TOOK POSITION THAT IF GOK PRINCIPAL INTERESTS LIMITED PRISON INVOLVEMENT, IT APPEARS INDICATE OIC CONCEPT TOTAL COMMUNITY INVOLVEMENT NOT YET ACCEPTED



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TELEGRAM

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PAGE 02 STATE 178566

BY GOK. OUR WILLINGNESS SUPPORT OIC BASED ON ROLE IT CAN PLAY
IN KENYAN DEVELOPMENT WITH PRIMARY ELEMENT BEING OIC
EXPERIENCE IN US MOBILIZING COMMUNITY/PRIVATE SECTOR SUPPORT
AND SELF HELP EFFORT. AID NOT INTERESTED IN OIC AS MERELY A
VOCATIONAL TRAINING ACTIVITY. JOHNSON

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TELEGRAM

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PAGE 02 STATE 170819

OIC APPEARED RELUCTANT CONSIDER ANYTHING OTHER THAN TRADITIONAL OIC APPROACH WITH FULL OIC IDENTIFICATION IN ANY PROJECT ACTIVITY.

4. OIC MENTIONED DISCUSSIONS GOK ON PRISON TRAINING AND INDICATED POSSIBLE ADDITIONAL INTERESTS IN BUYORIVE AND CONSTRUCTION AREAS. WE DISAPPROVED PRISON INVOLVEMENT ON BASIS IT HIGHLY SENSITIVE AREA AND TOO RESTRICTIVE. WE TOOK POSITION THAT IF GOK PRINCIPAL INTERESTS LIMITED PRISON INVOLVEMENT ON BASIS IT HIGHLY SENSITIVE AREA AND TOO RESTRICTIVE. WE TOOK POSITION THAT IF GOK PRINCIPAL INTERESTS LIMITED PRISON ASSISTANCE, IT APPEARS INDICATE OIC CONCEPT TOTAL COMMUNITY INVOLVEMENT NOR YET ACCEPTED BY GOK. OUR WILLINGNESS SUPPORT OIC BASED ON ROLE IT CAN PLAY IN KENYAN DEVELOPMENT WITH PRIMARY ELEMENT BEING OIC EXPERIENCE IN US MOBILIZING COMMUNITY/ PRIVATE SECTOR SUPPORT AND SELF HELP EFFORT. AID NOT INTERESTED IN OIC AS MERELY A VOCATIONAL TRAINING ACTIVITY.

5. OIC EXPRESSED CONCERN WHETHER OIC PROJECT FUNDS ARE PART REGULAR BILATERAL YA FUNDS. WE EXPLAINED THAT OIC ACTIVITIES NOT CONSIDERED COMPETITIVE FOR FUNDS OTHER BILATERAL ACTIVITIES BUT AID WILL CONTINUE REVIEW OIC PROJECT WITH FINE PENCIL AS WE DO WITH OTHER AID PROJECTS IN CONTEXT AID'S LIMITED FUNDS AND PROJECT VIABILITY AFTER AID SUPPORT PHASES OUT. SUGGESTED POSSIBILITY INITIATING OIC PROJECT ON SMALLER SCALE THAN ORIGINALLY PROPOSED.

6. WE AGREED EXTEND TIME KENYA EFFORTS UNDER TO-4 THROUGH DECEMBER 72 ENABLE ADDITIONAL DISCUSSIONS AND CONSIDERATION ALTERNATIVE PROJECT APPROACHES BUT THIS DATE CONSIDERED TERMINAL IF GOK COMMITMENT NOT FORTHCOMING AND PROJECT SATISFACTORY TO AID AND GOK NOT DEVELOPED. WE ASSUME APRIL PROJECT PROPOSAL NOW OVERTAKEN BY EVENTS AND THAT IF NEW PROJECT PROPOSED IT WILL BE SIGNIFICANTLY DIFFERENT.

7. AID/W IN PROCESS EXTENDING TIME Y.O. NO. 4 3/31/73 WITH ADDITION OF FUNDS OIC KENYA THRU 12/31/72 BUT OIC ETHIOPIA THRU 3/31/73.

8. SUGGEST USAID LEAVE NEXT STAGE OF DISCUSSIONS TO OIC INITIATIVE AND NOT RPT NOT PRESS FOR REPLY TO JAMES' LETTER. ROGERS

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TELEGRAM

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UNCLASSIFIED 286

PAGE 01 STATE 087034

63

ORIGIN AID-45

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DRAFTED BY: AFR/EAF:TO'KEEFE

APPROVED BY: AFR/EAF:JERRY KNOLL

AFR/EAF:EDCONROY(DRAFT); WWHITTEN(DRAFT)

AA/FR:SCOLE(DRAFT)

AFR/DP:JGOVAN

AFR/TAC:DATWELL(SUBS)

DISTRIBUTION: 4C ACTION AFR 25 INFO EVAL EXSEC OLAB PA ACONT

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FM SECSTATE WASHDC

TO AMEMBASSY NAIROBI

UNCLAS STATE 087034

AIDAC

SUBJECT: OIC/K PROP

1. AID/W REVIEW SUBJECT PROP RESULTED IN FOLLOWING COMMENTS.

2. LOCAL SUPPORT: EARLY IDENTIFIABLE MEASURES LOCAL INTEREST/
SUPPORT REQUIRED IN STRATEGY PROJECT. ALTHOUGH GUIDELINES PERMIT
LOCAL CONTRIBUTIONS PROGRAMMED FOR FIRST TWO YEARS TO BE TOPPED
UP BY AID TO EXTENT NOT FORTHCOMING LOCALLY; AID/W OF OPINION IN
LIGHT GHANA AND NIGERIA EXPERIENCE AND NECESSITY START PROJECT
ON CORRECT FOOTING THAT DOLS 85,000 PROGRAMMED FIRST YEAR,
PARTICULARLY PORTION PROVIDING ADEQUATE TRAINING SITE AND SALARIES,
MUST BE FIRMLY COMMITTED IN ADVANCE BY OIC/K AS MINIMUM CONTRIBU-
TION AND THIS SHALL BE PREREQUISITE FOR PROJECT APPROVAL.
AID/W FURTHER PROPOSES, IF FEASIBLE, PROGRAM DIRECTOR BECOME
FULLY FUNDED LOCALLY IN SIXTH MONTH OF PROJECT.

AID/W CONCERNED THAT OIC/K BE ABLE ASSURE COSTS ALL KENYAN
EMPLOYEES AFTER INITIAL 24 MONTHS AID FINANCING AND OTHER LOCAL
COSTS NOT ASSOCIATED WITH OICI TEAM. IN THIS CONNECTION NOTE THAT
FIRST IMPACT THESE COSTS WILL COME IN THIRD YEAR OF PROJECT.

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PAGE 03 STATE 087034

REQUIREMENTS FOR PARTICULAR SKILLS. NUMBER TRAINEES/KINDS SKILLS TRAINING COURSES SHOULD BE CONTINGENT THIS INPUT INFORMATION. REQUEST ALSO INDICATION DEGREE/KIND INDUSTRIAL SECTOR SUPPORT AVAILABLE NOW AND EXPECTED. TO WHAT EXTENT ARE LOCAL FIRMS EXPECTED TO CONTRIBUTE EQUIPMENT AND COMMODITIES WHICH CAN BE USED FOR OIC/K TRAINING PROGRAMS. CONCERNING COMMODITIES, IF OTHER THAN US PRODUCTS EXPECTED TO BE PROCURED, WAIVER REQUIREMENTS AND JUSTIFICATION THEREFORE SHOULD BE INCLUDED IN PROP.

8. BUDGET: AID/W REVIEW INDICATES FY 73 FUNDING MUST BE SUFFICIENT PROVIDE 15 MONTHS OIC SERVICES, AND THE MAXIMUM AMOUNT AVAILABLE WILL BE DOLS 420,000. FY 74 FUNDING MUST BE SUFFICIENT PROVIDE ADDITIONAL 12 MONTHS CONTRACT FUNDING BASED ON SCALE OF OPERATIONS EQUAL TO OR LESS THAN THAT OF FIRST 15 MONTHS DEPENDING ON RAPIDITY LOCAL ACCEPTANCE FUNDING LOCAL COST COMPONENTS. DIFFICULT TO DETERMINE FY 74 DOLLAR REQUIREMENTS THIS EARLY, OF COURSE, BUT FIGURE OF DOLS 340,000 SHOULD BE LIMIT. REDUCTION U.S. PERSONNEL BY ONE OR MORE, POSSIBLE REDUCTION LOCAL STAFF REQUIREMENTS, NECESSITY SECOND YEAR FURNISHINGS ALLOWANCE, LOCAL COMMODITY CONTRIBUTIONS, AND FULL LOCAL FUNDING PROGRAM DIRECTOR SHOULD ASSIST ATTAINMENT ABOVE FUNDING GOAL. REQUEST MISSION, WHEN REVISING BUDGET REQUIREMENTS, INCLUDE THIRD YEAR PROJECTION AID FUNDING AS MODIFIED BY CHANGES RESULTING FROM PARAGRAPH 2 ABOVE.

9. ADVISE STATUS OIC/K - GOK MIN LABOR DISCUSSIONS/CORRESPONDENCE ON OFFICIAL SPONSORSHIP.

10. SINCE OICI PRESSING FOR EARLY FY 73 INITIATION OF PROJECT, URGE USAID DISCUSS ABOVE COMMENTS WITH CLARK WITH VIEW TOWARD SUBMISSION REVISED PROP (OR REVISED PAGES) BY JUNE 9. ROGERS

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PAGE 03 STATE 087034

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9. REQUIRE STATUS OIC/K - 60K MIN LABOR DISCUSSIONS/CORRESPONDENCE ON OFFICIAL SPONSORSHIP.

10. URGE OICI PRESSING FOR EARLY FY 73 INITIATION OF PROJECT, URGE USAID DISCUSS ABOVE COMMENTS WITH CLARK WITH VIEW TOWARD SUBMISSION REVISED PROP (OR REVISED PAGES) BY JUNE 9. ROGERS

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*John
Ann Marshall PROP
file*

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SUBJ: OIC KENYA PROP 615-11-420-159

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CLOSER REVIEW OF PROP BY USAID/OICK HAS REVEALED THAT SOME ERRORS FOUND THEIR WAY INTO THE TEXT, AS FOLLOWS //

PAGE 5 PARA 2 SECTION C, TEN LOCAL STAFF SHOULD READ FIVE;
LINE THREE PROGRAM COORDINATOR SHOULD READ PROGRAM DIRECTOR,
PAGE 5 - 2E, SHOULD BE STARTED NOT COMPLETED.

PAGE 6 SECTION B COMMODITIES - UNDER BUILDING TRADES PLUMBING HAS
BEEN LEFT OUT.

PAGE 7 FIRST PARA SHOULD READ: ALL LOGISTIC SUPPORT FOR OIC
TEAMS INCLUDING HOUSING, HOUSEHOLD FURNISHINGS, OFFICIAL
TRANSPORTATION, AND LOCAL INTERNATIONAL OFFICIAL TRAVEL WILL
BE ARRANGED BY OICI AS APPROVED BY AID. LOGICAL FRAMEWORK

MATRIX C.2 OUTPUT INDICATORS
NUMBER 5 SHOULD READ BEGUN TRAINING.

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