

PD-AAA-987-A1

ACTION MEMORANDUM FOR THE ACTING ASSISTANT ADMINISTRATOR

FROM: LA/DP, Robert *RCS* Simpson, ActingPROBLEM: PROP approval for Haiti Road Maintenance Project #521-15-312-072DISCUSSION: The DAEC approved the Haiti Highway Maintenance Loan #521-L-0051, a copy of which is attached, on February 15, 1973.

The Review Committee concluded that the technical assistance component for \$1,050,000 worth of engineering advisory services would be more appropriately grant funded than loan funded in view of Haiti's status as the least developed country in the Hemisphere.

Accordingly the project was included in the Congressional Presentation, and arrangements are underway to reduce the loan by the amount of the technical assistance grant.

Although the DAEC approval constitutes approval in principle, a PROP face sheet, with other pertinent documents attached and referencing the loan agreement, has been prepared which would, when signed by you, give formal PROP approval to the project.

We plan to obtain a more detailed budget breakdown from the Mission's FBS submission, due in Washington July 20. We are also asking the Mission to develop evaluation benchmarks jointly with the GOH and the contractor as criteria to facilitate project evaluation at a future date. These evaluation benchmarks are to be submitted to AID/W by September 15, 1973.

RECOMMENDATION: That you sign the attached PROP approval form.

Attachments: a/s

Clearances: LA/DP: RCSimpson *RCS*
 LA/CAR: GGower *GG*
 LA/DR: RBobel *RB*

LA/DP: JLyons:mew:7/20/73

I. PROJECT IDENTIFICATION

1. PROJECT TITLE Road Maintenance		APPENDIX ATTACHED <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
3. RECIPIENT (specify) <input checked="" type="checkbox"/> COUNTRY HAITI <input type="checkbox"/> REGIONAL <input type="checkbox"/> INTERREGIONAL		2. PROJECT NO. (M.O. 1095.2) 521-15-312-072
4. LIFE OF PROJECT BEGINS FY 74 ENDS FY 75		5. SUBMISSION DATE <input checked="" type="checkbox"/> ORIGINAL 7/18/73 <input type="checkbox"/> REV. NO. DATE
		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
1. PRIOR THRU ACTUAL FY	-0-											
2. OPRY FY 74	650	650	126					650	126			
3. BUDGET FY 75	400	400	78					400	78			
4. BUDGET +1 FY												
5. BUDGET +2 FY												
6. BUDGET +3 FY												
7. ALL SUBQ. FY												
8. GRAND TOTAL	1050	1050	204					1050	204			

9. OTHER DONOR CONTRIBUTIONS

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

III. ORIGINATING OFFICE CLEARANCE

1. DRAFTER Gerald F. Gower	TITLE Haiti Desk Officer ARA-LA/CAR	DATE 7/18/73
2. CLEARANCE OFFICER William B. Wheeler	TITLE Deputy Director, Office of Caribbean Affairs	DATE 7/18/73

IV. PROJECT AUTHORIZATION

1. CONDITIONS OF APPROVAL The engineering consultant contract funded by this project is an integral part of the Highway Maintenance capital project activity described fully in AID-DLC/P-1077 (see especially Section III D.9) and A.I.D. Loan Agreement 521-L-005. Grant funding is being provided in lieu of loan financing in view of Haiti's status as a Least Developed Country in order to reduce the debt burden of this activity on the GOH and to provide A.I.D. with maximum control over the performance of the contract. This activity was approved by the DLSC on February 15, 1973.

2. CLEARANCES

BUR. OFF.	SIGNATURE	DATE	BUR. OFF.	SIGNATURE	DATE
LA/DP	<i>Jessica Lyon</i>	7/18/73	SFR/FM/FSD	HJohnson (draft)	7/19/73
LA/DR	<i>Donald B. Kel</i>	7/18/73			
SER/ENG	BWatkins (draft)	7/19/73			

3. APPROVAL AAS OR OFFICE DIRECTORS SIGNATURE <i>[Signature]</i> DATE	4. APPROVAL AID (See M.O. 1025.1 VIC) SIGNATURE N/A DATE
TITLE	ADMINISTRATOR AGENCY FOR INTERNATIONAL DEVELOPMENT

MEMORANDUM

FEB 16 1973

TO : PPS/DER, Arthur H. Handly
FROM : AA/LA, Herman Kleine /s/ EK
SUBJECT: Notification of Clearance and Request for DLSC
Consideration

Please be advised that the attached loan proposal has been cleared by the Latin America Bureau as well as the other offices noted, and it is requested that it be distributed to the Director's Loan Committee by February 22, 1973 and be considered by telephone call of the Development Loan Staff Committee by February 23, 1973.

Loan Name: Highway Maintenance - Haiti

Amount: \$3.7 million

Members of the required review committee:

IA/DR: Frank L. Kimball Frederick Schloess Donald Schell Michael Salazar Richard Salzman	IA/CR: William Shearer Garold Cover
IA/SC: Irwin Levy Norman Williams	IA/CD: John Hanney IA/OSIS: Peter Romano IA/DP: Judy Lyons

The following offices received the loan paper and the representatives noted attended the required loan review on February 15, 1973:

PPS/DER, George Grande
SRR/ASOR, Vernon H. Vogel
SRR/ASST/ASST, William Gardner
SE/PA/ASST, Norman Kottz
STAP Secretariat, Alberto Vaspremy B.

There are no unresolved issues. The following items were discussed and clarified to the satisfaction of the DLSC and appropriate revisions made in the loan paper as follows:

1. A section was added on income distribution and labor intensivity. While these topics were treated explicitly or implicitly throughout the paper, it was felt that it would be useful to have a discussion of these matters in one section of the paper.

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2. A covenant was included to provide for an annual evaluation of the project.

3. During the course of the review the question was raised as to whether Haiti, as a least developed country, should receive grant assistance for the \$1,050,000 technical assistance component discussed in the loan paper. Although the full amount of the loan was justified in the paper, the Review Committee concluded that if grant assistance were available it would be most appropriate because it would reduce the debt burden to the GHI, it would lessen the impact of highly paid U.S. technicians working with GHI officials who receive much smaller remuneration, and it would provide AID with greater control over the performance of the contract.

The major difficulty with grant funding the technical assistance portion of this loan is that the proposal has not yet been presented to Congress. Therefore, it was decided to proceed with the loan package including the technical assistance, and if, at a later date grant funding was provided, to then reduce the loan accordingly by loan agreement amendment. Since under either grant or loan financing the contract will be tripartite, i.e., between GHI, AID, and the selected technical advisor, the contract terms will not be affected significantly.

11/11
LA/DR:RSeifman:2-15-73:nct

Clearances:

LA/DR:FWSchieck (draft)
LA/DR:RBobel (draft)
LA/DR:FBKimball *FBO*

DEPARTMENT OF STATE
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PERMANENT MAINTENANCE SERVICE FOR THE
NATIONAL HIGHWAY NETWORK - SEPRRN

The Service d'Entretien Permanent du Réseau Routier National acting for Secrétaire d'Etat Travaux Publics, Transport et Communications (Ministry of Public Work, Transport and Communication - TPTC) of the Republic of Haiti requests submission of expressions of interest and statements of qualifications from AID Geographic Code 941 consulting firms, Haitian firms, or joint ventures thereof who can qualify through experience with projects of similar type and magnitude for furnishing technical assistance in the reorganization of and training of personnel of SEPRRN through a three year period.

The technical assistance and training program will consist of but is not limited to the following: (1) Evaluate the existing organization and work procedures and initiate improved procedures for establishing priorities of work, budgeting and organization. (2) Approve sites to be furnished by the Government of Haiti as to suitability for new shops in Port-au-Prince and Les Cayes, prepare construction plans and specifications for these two shops and the renovation of the CAP station shop. Take all steps to get facilities in operation. (3) Prepare plans for temporary repairs to present Port-au-Prince shop for use until new facilities are ready. (4) Determine which

no proposals received
to date. Forms sent
to 3-4 additional firms

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SEPRRN equipment can be economically repaired and take all necessary steps to get the equipment in service, always using counter parts in each step as a means of training. (5) Establish requirements and specifications and order shop and field maintenance equipment for the program. Actual procurement may be by others for some items. (6) Institute administrative and financial procedures for operation of SEPRRN. (7) Establish a stock room with proper records and procurement procedures. (3) Prepare and operate training programs for administrative and financial personnel, shop and field mechanics, maintenance equipment operators, and foremen of field crews. (5) Review existing AID operation and maintenance manuals in French and adapt one set for use in Haiti.

The consultant must be prepared to field a team consisting of the following for the periods designated after each title: (1) Supervisory Highway Maintenance Engineer - 26 months Act as project manager and assist the Chief of the Division of Works. (2) Equipment and Training Engineer, 24 months. Formulate training programs for equipment operators, mechanics, field foremen and assist the Equipment Division Chief. (3) Equipment Specialist, Operations - 36 months. Chief instructor for equipment operators—will spend most of time in the field. He will assist Chief of Operations. (4) Heavy Equipment Mechanic - 36 months. Chief instructor for mechanics training and advisor to Chief of the shops. (5) Accounting and Financial Recordkeeping Advisor - 36 months. Assist in establishing an accounting and recordkeeping system and assist in making all such systems operations. (6) Administration and Personnel Specialist - 24 months. Effectively integrate the functions of programming budgeting and execution of planned operations in SEPRRN. He with the Project Manager will evaluate the existing organization taking into consideration recommendations of the Ingeroute and OAS reports and determine if any changes are necessary. (7) Short Term Specialists - 12 months. The duties of these specialists will vary, i.e. plans and specs for buildings, specialists in quarry operation, soil testing, asphalt paving, etc.

The time of the contract will be three (3) years and require 17 man years of labor. All field work studies must give heavy consideration to labor intensive methods.

The Ingeroute study referred to above is a study of SEPRRN made in 1972 by Ingeroute, a French Consultant. The report will be available to the consultants selected for this program.

Financing of local and foreign cost for the TA Consultants will be from an AID loan. All contracting and procedures will follow AID guidelines. The expression of interest should include (1) AID Standard Architect-Engineer Questionnaire; (2) in-house availability of professionally qualified personnel; and (3) the bio data on team members and possible alternates must include a statement as to the individual's proficiency in French and details of his experience in French speaking tropical countries. Blank forms for the AID Standard Architect Engineer Questionnaire may be obtained from: Transportation Branch, SER/ENGR/OPNS, Room 322, SA-11, Agency for International Development, Washington, D. C. 20523. Major considerations in evaluating the firms will be given to the past performance of the consultants on similar projects and ability of the team members to work in the French language.

Replies to this notice must be received not later than thirty (30) days from the date of this publication. Firms responding to this notice will be evaluated upon the basis of their submission and on independent investigation. Those considered best qualified will be requested to submit technical proposals for undertaking this program. Interested firms are cautioned that this is a solicitation of an expression of interest and not a request for a proposal. Expressions of interest will be accepted on behalf of and forwarded to the Republic of Haiti by: Transportation branch, SER/ENGR/OPNS, Room 322, SA-11, Agency for International Development, Washington, D. C. 20523 and SER/ENGR/OPNS, Transportation Branch, Room 322, SA-11, Agency for International Development, Washington, D. C. 20523. (F074)

United States Agency for International
Development Mission to Haiti, c/o American
Embassy, Port-au-Prince, Haiti

CGP Highway

March 19, 1973

Engineering services:

Technical Assistance
Consultants - Highways

Expressions of interest
due April 18, 1973

Haiti - Hwy Maint

Haiti

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PORT

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ACTION

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INFO.

STATE 147972

AIDAC

EO 11652:W/A

SUBJECT- Road Maintenance Project #521-15-312-072

REFERENCE-

1. While the subject project is an integral part of the ^{Highway}~~Highway~~ Maintenance capital project activity represented by AID loan 521-L-005, as part or all of the engineering consultant contract is to be grant-funded it is considered desirable to minimally document the grant portion transaction in accordance with general TA guidelines. To accomplish this, LA Bureau has processed PROP face sheet together with appropriate back-up materials.
2. To supplement the above, AID/W will require information and material: (a) to establish the basis for ~~MM~~ budgeting and (b) to establish criteria for implementation evaluation. As contract is to be signed for life of project, copy of signed contract will establish firm cost of this activity. We assume this costing detail will be recorded also in the FBS. We further assume the scope of work

DRAFTED BY CGower:mkb	OFFICE LA/CAR	PHONE NO. 22129	DATE JUL 27 1973	APPROVED BY: Larry Harrison XXXXXXXXXXXX
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AID AND OTHER CLEARANCES

LA/DP: J Lyon
LA/DR: R Selfman

LA/DP: R Simpson

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incorporated into contract implicitly provides benchmarks for evaluation purposes. Request, however, that explicit project evaluation criteria be developed and submitted as soon as possible but no later than September 15 to complete the background documentation considered necessary for this project.

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