PD-AAB-235-A1 Paraguay Grant Folder

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UNITED STATES GOVERNMENT

Memorandum

TO : AA/LA, Mr. Herman Kleine

DATE: May 15, 1975

FROM : PPC/DPRE, Arthur Handly

SUBJECT: Paraguay - Livestock Development PROP

As you are aware, this office has been instructed to review very closely any requests for extensions of projects beyond five years before recommending their approval to the Deputy Administrator. In the case of the Paraguay Livestock grant the Mission proposes to extend this project, which began in FY 68, through FY 78. Thus, if no unforeseen delays occur, this will be, at a minimum, an 11 year grant project.

Our review of the files indicates that during the past two years, at the instigation of the LA Bureau, this project has been changed significantly. In the future it will no longer focus on cattle production for large-scale ranches but instead will try to reach the poor majority through swine and poultry extension programs. This is such a fundamental change that we believe this new effort well merits being properly labeled as a new project.

While we would concur with the LA Bureau that this program is an outgrowth of the old project we find it sufficiently and significantly different. We do not believe that the attainment of the goals and purposes of the new project will be appreciably aided by relating them so directly to the successes and failures of the previous project (as pointed out in the LA Bureau's Issues Paper of May 21, 1974).

In addition, the PBAR report, as approved by the Deputy Administrator, calls for the "de-basketing" of grant projects by the end of FY 76. We believe that the approval of this PROP for the life of the project would be an appropriate time to make such an adjustment, which would have to be made in any case by the end of FY 76.

This PROP has been revised numerous times during the past 2 years. We see no need for further revision of the documentation given the considerable modifications already undertaken. Instead, we would suggest that this PROP, as is, be used for the new project with the minor, residual elements of the old activity to be funded under the new project for FY 75 and FY 76 and the transmittal memorandum be revised accordingly.

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

While there may be a Congressional Notification problem because of the change in project numbers, the discussion in the FY 75 C.P. (p. 166) far more closely resembles the new activity than did the old project.

I would appreciate your reviewing this PROP again and advising me as soon as possible of the course of action that the IA Bureau would recommend.

cc: PPC/RB, M. Feldstein
PBAR, J. Roush
PPC/DPRE, B. Odell

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