

PROJECT AUTHORIZATION

1. PROJECT NUMBER 498-11-995-004	3. COUNTRY East Asia Regional	4. AUTHORIZATION NUMBER 0078 PPC 4980004 (a)
2. PROJECT TITLE Far East Regional Logistics Office		5. AUTHORIZATION DATE 8/11/70 PI-149-929
		6. PROP DATED 7/22/70 BI 7p

7. LIFE OF PROJECT

a. Number of Years of Funding: 10
Starting FY 19 65; Terminal FY 1974

b. Estimated Duration of Physical Work
After Last Year of Funding (in Months):

FUNDING BY FISCAL YEAR (in U.S. \$ or \$ equivalent)	DOLLARS		P.L. 480 CCC + FREIGHT	LOCAL CURRENCY Exchange Rate: \$1 =			
	GRANT	LOAN		U.S. OWNED		HOST COUNTRY	
				GRANT	LOAN	JOINTLY PROGRAMMED	OTHER
Prior through Actual FY 1970	968						
Operational FY 1971	277						
Budget FY 1972	305						
B + 1 FY 1973	230						
B + 2 FY 1974	230						
B + 3 FY							
All Subsequent FY's							
TOTAL	2010						

9. DESCRIBE SPECIAL FUNDING CONDITIONS OR RECOMMENDATIONS FOR IMPLEMENTATION, AND LIST KINDS AND QUANTITIES OF ANY P.L. 480 COMMODITIES The project is funded jointly with the Vietnam Bureau. Beginning in FY 1971, VN Bureau will reimburse EA Bureau 30% of total costs of FERLO. Funding breakout follows:

Prior Years	EA	VN	TOTAL
Through FY 970	766	202	868
FY 1971	194	83	271
FY 1972	214	91	305
FY 1973	161	69	230
FY 1974	161	69	230
TOTAL	1496	514	2010

10. CONDITIONS OF APPROVAL OF PROJECT

Subject to annual review.

(Use continuation sheet if necessary)

11. Approved in substance for the life of the project as described in the PROP, subject to the conditions cited in Block 10 above, and the availability of funds. Detailed planning with cooperating country and drafting of implementation documents is authorized.

This authorization is contingent upon timely completion of the self-help and other conditions listed in the PROP or attached thereto.

This authorization will be reviewed at such time as the objectives, scope and nature of the project and/or the magnitudes and scheduling of any inputs or outputs deviate so significantly from the project as originally authorized as to warrant submission of a new or revised PROP.

A.I.D. APPROVAL	CLEARANCES	DATE
Willard H. McInerney Acting Assistant Administrator AA/EA SIGNATURE TITLE	EA/RD, KRabin	8/6/70
	EA/PROC, ABennett	8/16/70
	EA/DP, WTempleton	8/16/70
	VN/PEP, AWestwood (draft)	7/24/70
	VN/CM/LOG, CVardas (draft)	7/24/70
DATE 8/11/70		

NON CAPITAL PROJECT PAPER (PROP)

I. SUMMARY DATA

Country: Regional Project No. 498-11-995-004
Submission Date: July 22, 1970 Original X Revision No. _____
Project Title: Far East Regional Logistics Office
U.S. Obligation Span: FY 65 through FY 74
Physical Implementation Span: FY 65 through FY 74

*Gross Life of Project Financed Requirements:	<u>\$ 2,010,000</u>
U.S. Dollars	<u>2,010,000</u>
Prior years through FY 70	<u>968,000</u>
FY 71 through FY 74	<u>1,042,000</u>
U.S. Owned Local Currency	<u>0</u>
Cooperating Countries Cash Contribution	<u>0</u>
Total	<u>\$ 2,010,000</u>

*Note: See Table 1 attached.

II. SUMMARY DESCRIPTION

The purpose of this project is to furnish A.I.D. East Asia and Vietnam Missions and Cooperating Countries with technical advice and assistance in all phases of logistics including procurement, storage, inventory, distribution, maintenance, excess property (PURA) acquisition, spare parts, port operations, and shipping in support of A.I.D. projects in the East Asia region and Vietnam. The project is jointly financed with the Bureau for Vietnam paying its pro-rata share.

III. SETTING OR ENVIRONMENT

1. With the advent of the rapid build-up of the A.I.D. commodity programs in East Asia in 1965, this Regional Project was undertaken to: provide timely assistance in movement of commodities from Asian (mostly Japan & Korea) ports on Military Sea Transport Services (MSTS) vessels; provide a readily available pool of technical assistance expertise covering all phases of logistics - not available in EA USAIDs or AID/W; and, to provide spare parts support for the growing USAID inventories of military excess equipment. This support is furnished directly to both the cooperating countries and the USAIDs, as the case may be.

2. This project is closely aligned to meet the needs of our EA and VN missions to assure immediate response in emergencies.

IV. STRATEGY

During FY 1970, the U.S. Army furnished approximately 8 man years of technical assistance under a continuing DOD/AID agreement first entered into in 1965. This expertise has been utilized in resolving logistics problems and improving logistics management in our missions and cooperating government ministries. Technical assistance teams have made continuous studies in Thailand, Laos, Korea, Indonesia, Philippines, and Vietnam to improve logistics support. This expertise is a continuing requirement over and above that now available in the USAIDs.

V. PLANNED TARGETS, RESULTS AND OUTPUTS

The logistics management expertise and training to be imparted to the missions and cooperating countries under this regional project will consist mainly of:

- (a) Guidance in developing requirements for logistical support and assistance to Mission and Cooperating Countries in selecting sources for such support.

- (b) Planning and providing technical assistance support to Missions and Cooperating Countries.
- (c) Coordination and implementation of shipments originating in the Pacific Theater.
- (d) In - process and acceptance inspection of material and services.
- (e) Maintenance of Technical Libraries.
- (f) USAID participation in PACOM Utilization and Redistribution Agency (PURA) program.
- (g) Maintenance and spare parts support for major equipment and vehicles.
- (h) Training in all phases of logistics management for Cooperating Country nationals, as required and/or requested by USAIDs.

VI. COURSE OF ACTION

1. The Far East Regional Logistics Office (FE/RLO) is located at the U.S. Army Sagami Depot in Japan - approximately 20 miles SE of Tokyo. It is now staffed by a Director and an Administrative Assistant (U.S. direct hire AID) and 2 local (Japanese) clerks. It maintains a technical library consisting of DOD technical and spare parts manuals covering practically all major items of military excess equipment, including vehicles, now in use in the EA and VN mission countries.

2. Under a continuing Logistics Agreement first entered into by A.I.D. with the U.S. Department of the Army in 1965, the A.I.D. missions in EA and VN have obtained each fiscal year approximately 8 man years of technical assistance, on a TDY basis, since the inception of the project. Additionally, the missions have received a continuous supply of spare parts in support of their maintenance programs.

3. With the phasing out of the Sagami Depot, and the transfer of I&L technical assistance personnel to USARPAC, Hawaii - the FE/RLO offices may be faced with a relocation in FY 71. We cannot hazard a guess as to the new location within USARPAC, which will be dependent upon the Army.

4. We presume that the cumulative training of local personnel, the easing of military activities, and the improvement of USAID logistic expertise will allow for discontinuance of the Far East Regional Logistics Office by the end of FY 1974.

NONCAPITAL PROJECT FUNDING (OBLIGATIONS IN \$000)

Table 1
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COUNTRY: East Asia Regional Project Title: Regional Logistics Center

PROP DATE 7/22/70
Original
Rev. No. X
Project No. 498-11-995-004

Fiscal Years	Ap	L/G	Total	Cont ^{1/}		Personnel Serv.			Participants		Commodities		Other Costs	
				AID	PASA	CONT	U. S. Agencies	CONT	Dir U. S. Ag	CONT	Dir & U. S. Ag	CONT		
Prior through Act. FY 1970			968	329	445	64						19	111	
Oper. FY 1971			277	48	185	-						36	8	
Budg. FY 1972			305	53	203	-						40	9	
B + 1 FY 1973			230	55	125	-						40	10	
B + 2 FY 1974			230	60	125	-						35		10
B + 3 FY														
All Subs.														
Total Life			2010	545	1083	64						170	148	

AIRGRAM

DEPARTMENT OF STATE

498-004

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FROM - AID/Washington

SUBJECT - AID Far East Regional Logistics Office (Joint EA/VN Financing)

REFERENCE - (A) PROP for Far East Regional Logistics Office, PROP dated 22 Jul 70, authorization date 11 Aug 70 (Encl 1)
(B) AID/FE-RLO msg DTG 190101Z Jun 70 (Encl 2)
(C) STATE 137527 (Encl 3)
(D) STATE 207799 (Encl 4)

CIA
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SAIGON
HECTO
ATT

1. Purpose of this msg is to provide particulars on Joint EA/VN Financing of AID/FE-RLO operations for FY 1971, and to assure appropriate advance planning and ~~xxx~~ action taken to provide USAID/VN share of joint financing for FY 1972 and thereafter.
2. The PROP (Encl 1) reflects actual EA/VN funding for FY 1970 and prior years, the operational year of FY 1971, and the budget years of FY 1972 and subsequent thereto. The Vietnam Bureau has provided obligational authority to Amembassy TOKYO (for FY 1971 and prior years) to incur obligations and expenditures against our AID/W Vietnam Bureau allotment (i.e. from non-USAID funds retained by the Bureau) as the USAID/VN fair share of the cost of AID/FE-RLO operations, including salaries and benefits of the technical assistance personnel obtained from the U.S. Military (commonly categorized as PASA personnel). Under this method, Mission was not fully aware of these transactions until after the fact. It appears appropriate, effective in FY 1972, for Mission to effect the necessary actions in routine manner.
3. Reftel (B) forwarded the AID/FE-RLO proposed budget for FY 1971. In agreement between the two Bureaus, the EA share was fixed at 70% and the VN share as 30% (\$83,000) of the total. EA Bureau ~~contributed~~ contributed its share (less portion of contingency allowance) by reftel (C), and the VN Bureau contributed its share by reftel (D).
4. Would appreciate advice on where Mission stands on AID/FE-RLO with respect to FY 1972.

UNCLASSIFIED	OFFICE	PHONE NO.	DATE	APPROVED BY	PAGE 1	OF 1
Signature: a/s				JOHNSON		
H.C. Froehlich	VN/CM/LOG	70138	12/31/70	A-AAA/VN/CM/RT/Loader		

VN/CM/LOG: J.M. Johnson
VN/PEP, A. Westwood (draft) UNCLASSIFIED CLASSIFICATION
EA/PROC: NFisher (info)