Proj. No 5200233
PN
5200233 (3)
PD-AAF-239

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR (LA)

FROM: LA/DR, Donor M. Lion

Problem: That you approve a $1,875,000 grant project for Guatemala, Small Farmer Development, which was reviewed by the DAEC on December 12, 1975.

Discussion: The proposed grant, complementing a $13.0 million A.I.D. loan, supports a $28.0 million program focused on alleviating the land constraint (man/land ratio) in the most densely populated areas of Guatemala. The program consists of four activities: (1) a cooperative colonization effort in the Northern lowlands of Guatemala; (2) construction of small farm irrigation and soil conservation infrastructure; (3) labor intensive feeder road construction; and (4) a human resources program including in-service training for personnel of public sector entities, graduate level participant training, and strengthening the agricultural ministry's sectoral planning unit. The grant of $1,875,000 will finance technical assistance related to the loan activities over a three-year period as follows: FY 1976 - $575,000; FY 1977 - $800,000; FY 1978 - $500,000. Long and short-term advisory services will be provided in such areas as cooperative management, settlement planning, irrigation, soil conservation, sector planning, and agricultural economics. In addition, some technical assistance will be provided for design and development of a proposed food marketing loan and a market town development loan. The A.I.D. loan will finance local technical assistance, training, construction, limited personnel costs, credit, equipment, and scholarships. The GOG will contribute $10.6 million to the program for personnel costs, studies, operating costs, and construction. Participants in the program will contribute another $2.5 million basically in land clearing and settlement infrastructure.

The items for clarification listed below were considered by the DAEC. There were no unresolved issues. The loan was authorized by the Deputy Administrator on December 31, 1975.

1. Host Country Contribution. The contribution was augmented to include (a) the credit to be provided by the Government after loan disbursement to settlers relocated in the final two years of the project, and (b) the "in-kind" contribution of the settlers in land clearing and construction of facilities.

2. BANDESA Lending Rates. The IDB had raised the rates on their agricultural credit loan from 5% and 8% to 8% and 12% with A.I.D. encouragement. Subsequent meetings with Bank staff resulted in agreement to exclude commissions and fees (up to approximately 2.5%) from these rates as well as a commitment to review these rates again later on during program implementation.

3. Salaries and Operating Costs. It was agreed, as established in the PP, that limited support costs could be loan funded with the Government picking them up by the third year of the program in order to get the activities started in a timely fashion.

4. Technical Assistance. Grant funds allocated to the development and implementation of two new projects were reduced to cover only project development costs, thereby reducing the total amount of the grant from $2,043,000 to $1,875,000.

The program was included in the FY 76 Congressional Presentation; the loan on page 131 and the grant on page 124. In addition, the amount of the host country contribution more than satisfies the criteria of Section 110(a) of the Foreign Assistance Act.

Recommendation: That you approve a grant of $1,875,000 for the purposes and in accordance with the program described in the Guatemala: Small Farmer Development Project Paper.

Approved: _____

Disapproved: _____

Date: 1/22/76

LA/DR:RGomez:kwl:1/21/76

AID 1330-1 (1-64)

PRO AG

5200233

PROJECT AGREEMENT

BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID), AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND THE NATIONAL ECONOMIC PLANNING COUNCIL PD-AAE-239

AN AGENCY OF THE GOVERNMENT OF GUATEMALA

The above-named parties hereby mutually agree to carry out a project in accordance with the terms set forth herein, and the terms set forth in any annexes attached hereto, or checked below:

[X] PROJECT DESCRIPTION ANNEX A
[ ] FOREIGN CURRENCY STANDARD PROVISIONS ANNEX
[X] STANDARD PROVISIONS ANNEX
[ ] SPECIAL LOAN PROVISIONS ANNEX

This Project Agreement is further subject to the terms of the following agreement between the two governments, as modified and supplemented:

[X] GENERAL AGREEMENT FOR TECHNICAL COOPERATION	DATE 9-1-54
[ ] ECONOMIC COOPERATION AGREEMENT	DATE
[ ] (other)	DATE

1. PROJECT/ACTIVITY NO. 520-11-190-233 (19)
2. AGREEMENT NO. 76-9 (6)
3. [X] ORIGINAL OR REVISION NO.
PAGE 1 OF 33 PAGES
4. PROJECT/ACTIVITY TITLE

MEJORAMIENTO DEL PEQUEÑO AGRICULTOR
SMALL FARMER IMPROVEMENT

5. PROJECT DESCRIPTION AND EXPLANATION

(See Annex A attached)

6. AID APPROPRIATION SYMBOL 72-11X1023
7. AID ALLOTMENT SYMBOL 402-50-520-00-69-61

8. AID FINANCING [X] DOLLARS [ ] LOCAL CURRENCY	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
(a) Total		575,000		575,000
(b) Contract Services		549,000		549,000
(c) Commodities				
(d) Other Costs		26,000		26,000
(e) COOPERATING AGENCY FINANCING - DOLLAR EQUIVALENT Q1.00 = $1.00				
(a) Total		1,630,000*		1,630,000 *
(b) Technical and other Services				
(c) Commodities				
(d) Other Costs		1,630,000		1,630,000

10. SPECIAL PROVISIONS (Use Additional Continuation Sheets, If Necessary)

* Includes 520-T-026 Loan Funds and GOG counterpart financing.

* Incluye los fondos del préstamo 520-T-026 y financiamiento del Gobierno de Guatemala.

11. DATE OF ORIGINAL AGREEMENT	12. DATE OF THIS REVISION	13. ESTIMATED FINAL CONTRIBUTION DATE
June 29, 1976		29 June 1979

14. FOR THE COOPERATING GOVERNMENT OR AGENCY	15. FOR THE AGENCY FOR INTERNATIONAL DEVELOPMENT
Véase la ultima pagina	See last page
SIGNATURE: DATE:	SIGNATURE: DATE:
TITLE:	TITLE:

ORD: DHSchaer

ORD: JO'Donnell

ORD: CDKoone

PRM: GAHill

CONT: LEckersley

ADIR/M MFreundel

DDIR: FWSchieck

RECORD COPY

I. INTRODUCCION Y ANTECEDENTES

A. GENERAL

Este Convenio se celebra entre el Gobierno de Guatemala, representado por el Consejo Nacional de Planificación Económica (CNPE) el Ministerio de Agricultura (MAG) y el Gobierno de los Estados Unidos de América, representado por la Agencia para el Desarrollo Internacional de los Estados Unidos (USAID), con el fin de establecer la responsabilidad de las partes con respecto al programa que se describe a continuación, el cual refuerza en forma directa el Plan de Desarrollo Agrícola del Gobierno de Guatemala.

Este Convenio proveerá el financiamiento de servicios de asistencia técnica y una pequeña cantidad de fondos para costos de apoyo con el fin de prestar ayuda en la ejecución del Préstamo para el Desarrollo del Pequeño Agricultor, No. 520-T-026, suscrito entre los Gobiernos de Guatemala y de los Estados Unidos, el 8 de abril de 1976, y de reforzar los programas del MAG que están en vigor. Este Convenio y el de Préstamo AID-520-T-026 que se describen con más detalle en las siguientes páginas, enfocan el mejoramiento de la capacidad productiva de las fincas pequeñas en

I. INTRODUCTION AND BACKGROUND

A. GENERAL

This Project Agreement is entered into by the Government of Guatemala, represented by the National Economic Planning Council (CNPE), the Ministry of Agriculture (MAG) and the Government of the United States of America, represented by the U. S. Agency for International Development (USAID), in order to establish the responsibility of the parties with respect to the program outlined below which is in direct support of the Guatemalan Government's Agricultural Development Plan.

This Agreement will provide technical assistance and a small amount of funds for support costs in order to assist in the implementation of the Small Farmer Improvement Loan No. 520-T-026 and signed between the GOG and the United States Government on April 8, 1976 and in strengthening on-going MAG programs. This Project Agreement and AID Loan 520-T-026 described in more detail on the following pages, focuses on improving the productive capacity of small farmer land holdings in the most densely populated areas of the country and on initiating a program to open new lands in

las zonas más densamente pobladas y en el inicio de un programa de apertura de nuevas tierras en la Franja Transversal del Norte. El proyecto también proporciona asistencia para fortalecer al sector público agrícola en las areas de planificación sectorial y preparación de recursos humanos, como un medio para aumentar la efectividad de las instituciones del sector en diseñar y ejecutar los programas de mayor cobertura.

the Northern Transversal Strip. The grant project also provides technical assistance for strengthening the public agriculture sector in planning and improving human resource capabilities as a means for increasing the effectiveness of sector institutions in devising and implementing outreach programs.

B. AYUDA DE LA USAID EN EL PASADO

A finales de 1960 el Gobierno de Guatemala realizó un gran esfuerzo para incrementar la producción en el sector tradicional del pequeño agricultor. El prestamo de $23 millones de la AID para el Desarrollo Rural autorizado en 1970, fue asignado para respaldar esta iniciativa del Gobierno, la cual incluía una importante reorganización del sector público agrícola. Se asignaron fondos para: (a) aumentar el número de Promotores agrícolas que trabajarían directamente con los pequeños y medianos agricultores; (b) adiestrar personal clave en las nuevas agencias del sector público agrícola; (c) programas de adiestramiento para los agricultores; (d) desarrollo de un programa ampliamente extendido de credito para producción de cultivos

B. PAST USAID ASSISTANCE

In the late 1960's, the Government of Guatemala mounted a major effort to increase production in the traditional small farm sector. The $23 Million AID Rural Development Loan authorized in 1970 was designed to support this GOG initiative which included a major reorganization of the agricultural public sector. Funds were allocated for: (a) increasing the number of extension agents assigned to work directly with small and medium farmers; (b) training key personnel in the new agricultural public sector agencies; (c) training programs for farmers; (d) for a greatly expanded production credit program for basic grains and diversified crops; (e) financing grain storage facilities; and (f) expanding the

diversificados y granos básicos; (e) financiar instalaciones de almacenamiento de granos; y (f) ampliar el programa de producción artesanal.

handicraft production program.

Entre 1970 y 1975, se obtuvieron los siguientes logros:

a) Se crearon agencias autónomas del sector público agrícola para la investigación y tecnología, crédito agrícola, recursos forestales, y mercadeo y estabilización de precios.

b) El número de promotores agrícolas para prestar asistencia técnica asignados para trabajar directamente con los agricultores aumentó de aproximadamente 94 a 450.

c) Hacia mediados de 1975, se adiestraron aproximadamente 28,800 agricultores a través de escuelas móviles (16,900), y de centros de enseñanza agrícola (11,900).

d) Aumentó el credito agrícola proporcinado por el sector público agrícola para granos básicos y cultivos diversificados, de 2,067 préstamos en 1971 a 25,000 en 1975, con un valor de $4.3 y $19.0 millones respectivamente. En este período quinquenal, se concedieron 59,000 préstamos aproximadamente para crédito agrícola, los cuales totalizaron la cantidad de $96 millones.

The following was accomplished between 1970 and 1975:

a) Autonomous public agriculture agencies for research and technology, agricultural credit, forestry resources, and marketing and price stabilization were created.

b) The number of technical assistance agents assigned to work directly with farmers increased from about 94 to 450.

c) Approximately 28,800 farmers were trained through mobile schools (16,900) and at agricultural training centers (11,900) by mid-1975.

d) Farm credit provided by the public agricultural sector for basic grains and diversified crops increased from 2,067 loans in 1971 to 25,000 in 1975 while the amount of money loaned increased from $4.3 million to $19 million during the same period. In the five-year period approximately 59,000 agricultural credit loans which totaled $96 million were made.

e) Se adiestraron en el extranjero a 43 empleados del sector público agrícola.

f) Se aprobaron 17 prestamos por un monto de $697,000 para la construcción de instalaciones de almacenamiento de granos, a nivel de finca, con una capacidad de 12,590 T.M.

g) Durante este período el movimiento cooperativista experimentó un crecimiento considerable. La Federación Nacional de Cooperativas de Ahorro y Crédito (FENACOAC), pasó de contar con 75 cooperativas con 20,000 miembros y una cartera de prestamos de $1.2 millones en 1971, a ser una federación con 86 cooperativas afiliadas y 60,000 miembros, con una cartera de préstamo de $5.2 millones y un capital de $6.6 millones a diciembre de 1975. También se estableció la Federación de Cooperativas Agrícolas Regionales (FECOAR) y se ha convertido en una organización que cuenta con seis cooperativas regionales afiliadas, con 10,900 miembros y un capital de $5.2 millones.

e) Forty-three agricultural public sector employees were trained abroad,

f) Seventeen (17) loans totaling $697,000 have been approved for construction of 12,590 MT's of private and cooperative "on-farm" grain storage facilities.

g) During this period, the cooperative movement has experienced considerable growth. The National Federation of Credit Unions and Savings Cooperatives (FENACOAC) grew, from 75 cooperatives, with 20,000 members and a loan portfolio of $1.2 million in 1971, to a federation of 86 affiliated cooperatives with 60,000 members with a loan portfolio of $5.2 million and total assets of $6.6 million in December, 1975. The Federation of Regional Agricultural Cooperatives (FECOAR) was established and has developed into an organization of 10,900 members with total assets of $5.2 million.

h) La Fundación del Centavo ha experimentado también un crecimiento, pues de 2,000 agricultores a quienes otorgó prestamos por valor de $92,000 en 1970, ha pasado a servir a alrededor de 6,000 agricultores en 1975, con préstamos que ascienden a Q645,275.

Puede observase que están en pié y en funcionamiento los elementos de una estructura mejorada en gran forma, para alcanzar a un número creciente de personas de escasos recursos, contando con asesoría tecnica agrícola y crédito para la producción.

h) The Penny Foundation has grown from serving some 2,000 farmers with $92,000 in loan funds in 1970 to a significant provider of credit for some 6,000 farmers in 1975 with loans totaling Q645,275.

The elements of a greatly improved structure for reaching an increasing number of the rural poor with agricultural technical assistance and production credit are in place and functioning.

II - OBJETIVOS Y DESCRIPCION DEL PROYECTO.

Este proyecto en asociación con el financiamiento previsto en el Préstamo AID-520-T-026 y de acuerdo con el Plan Nacional de Desarrollo Agrícola, está diseñado para contribuir a elevar los ingresos de los pequeños agricultores de Guatemala, reforzando en tal sentido las realizaciones del período 1970-75.

El objetivo especifico del proyecto es aumentar la productividad agrícola y crear alternativas de empleo en las zonas rurales por medio de las siguientes actividades:

II. OBJECTIVES AND DESCRIPTION OF THE PROJECT

This project, together with financing to be made available under AID Loan 520-T-026 and in accord with the National Agricultural Development Plan, is designed to contribute to increasing the income of small farmers in Guatemala, thus reinforcing the accomplishments realized during the 1970-75 period.

The specific objective of the project is designed to increase agricultural productivity and create alternative employment opportunities in rural areas by:

A. COLONIZACION

Apertura de nuevas tierras en la Franja Transversal Norte para la colonización de 5,000 familias por medio de federaciones cooperativas de pequeños agricultores y cooperativas participantes, así como generación de la información y planes requeridos para el diseño de un programa que cubra el resto de la zona.

A. LAND SETTLEMENT

Opening new lands in the Northern Transversal Strip for the settlement of 5,000 families by small farmer cooperative federations and participating cooperatives and generation of the information and plans required for design of a program covering the remainder of the area.

B. DESARROLLO DE LOS RECURSOS DE LA TIERRA.

La construcción de pequeñas obras de riego y la difusión de prácticas de conservación de suelos y manejo de cuencas.

B. LAND RESOURCES DEVELOPMENT

The construction of small scale irrigation works and the expansion of soil conservation and watershed management practices.

C. RECURSOS HUMANOS

Reforzar la unidad sectorial de planificación del sector así como la capacidad de las organizaciones del sector público agrícola para ejecutar una programación coordinada y facilitar servicios mejorados y asistencia tecnica al pequeño agricultor.

C. HUMAN RESOURCES

Strengthening the Sector Planning Unit within the MAG as well as the capacity of public agricultural sector organizations to implement coordinated programming and delivery of improved services and technical assistance to small farmers.

D. DISEÑO DE UN PROYECTO DE MERCADEO

El diseño de un proyecto de mercadeo para el pequeño agricultor se incluye por conveniencia como un elemento del proyecto en sí. Al mismo tiempo que está relacionado a las otras actividades del proyecto, enfoca la formulación de un nuevo proyecto con el cual se espera incorporar al pequeño agricultor en la corriente comercial, permitiéndole obtener beneficios directos del proceso de desarrollo.

D. DESIGN OF MARKETING PROJECT

The design of a small farmer marketing project is included for convenience purposes as a project element. While related to other project activities, its focus is the formulation of a new project aimed at incorporating the small farmer into the modern commercial marketing channels that enable him to obtain direct benefits from the development process.

III - PLAN PARA LA EJECUCION DEL PROYECTO.

A. General

Las agencias del GOG tendrán la responsabilidad de la ejecución y supervision del proyecto. El Ministerio de Agricultura será la máxima autoridad y responsable de la coordinación de las diferentes agencias ejecutoras. La Unidad Sectorial de Planificación Agrícola será la oficina que se responsabilizará por las actividades diarias requeridas para cumplir con los planes establecidos, preparar borradores de documentos, y efectuar inspecciones y evaluaciones. Esta Unidad también

III. PROJECT IMPLEMENTATION PLAN

A. General

GOG agencies will have the responsibility for project execution and supervision. The Ministry of Agriculture will be the maximum authority and responsible for the coordination of the various implementing agencies. The Sector Planning Unit will be responsible for daily activities required to meet schedules, draft documentation, make inspections and conduct evaluations. This Unit will also be responsible for programming the

será responsable de la programación de los fondos de la AID y del GOG como contrapartida, y del control y asignación de los mismos.

AID and GOG counterpart funds and the control and allocation thereof.

B. ACTIVIDADES ESPECIFICAS.

B. SPECIFIC ACTIVITIES

1. Colonización

1. Land Settlement

Esta actividad estará ejecutada por federaciones de cooperativas y cooperativas participantes, con capacidad de administración demostrada.

This activity will be implemented by selected cooperative federations and participating cooperatives with demonstrated management capacity

a. El MAG designará una unidad de ejecución dentro del Sector Público Agrícola para realizar las actividades en las nuevas tierras.

a. The MAG will designate an implementation unit within the Agricultural Public Sector to carry out the new lands activity.

Esta unidad se encargará de lo siguiente:

This Unit will:

(1) Establecer el procedimiento y condiciones, por medio de un Convenio, para regir la transferencia de parcelas de tierra a las federaciones cooperativas y cooperativas participantes;

(1) Establish the procedures and conditions in the form of an Agreement to govern the transfer of blocks of land to cooperative federations and participating cooperatives;

(2) Diseñar un proyecto(s) de acuerdo entre las federaciones de cooperativas y cooperativas participantes por un lado, y el Ministerio de Agricultura por el otro, en el que se establezcan los recursos con que contribuirá cada una de las partes y los requisitos que cada cual debe llenar. Tales acuerdos podrían incluir pero no estarían limitados a:

(a) Publicidad a estas actividades.

(b) Selección de beneficiarios.

(c) Desarrollo de un plan para la zona de colonización.

(d) Transferencia de la tierra.

(e) Preparación de la zona de colonización.

(f) Parcelamiento de la tierra.

(g) Ubicación de los agricultores en las tierras asignadas.

(h) Organización de operaciones internas.

(i) Organización de las nuevas cooperativas.

(2) Draw up an agreement or agreements between the cooperative federations and participating cooperatives and the Ministry of Agriculture setting forth the resources each party will contribute and the requirements placed upon them which would include but not be limited to:

(a) Publicizing the activity.

(b) Screening and selection of settlers.

(c) Development of a plan for the settlement area.

(d) Transfer of land.

(e) Preparation of the settlement area.

(f) Parceling the land

(g) Location of the settlers on assigned parcels.

(h) Organization of internal operations.

(i) Organizing the new cooperatives.

(j) Servicios agrícolas cooperativos.

(3) Será responsable para la coordinación de los servicios para las areas de colonización, con las otras entidades gubernamentales.

(4) Preparación de un plan detallado de ejecución calendarizada para esta actividad.

b. Para cumplir con esta actividad, el MAG o la USAID contratará, con la aprobación previa de la otra parte, los servicios de un especialista en administración de cooperativas y un especialista en operaciones de cooperativas. El técnico en administración de cooperativas prestará ayuda a las Federaciones de Cooperativas y cooperativas involucradas en las siguientes actividades:

(1) Organización y administración de las actividades de colonización, selección de colonos, su orientación y transferencia a las zonas de colonización, división y desarrollo de tierras, establecimiento de servicios e instalaciones comunitarias;

(j) Cooperative agricultural services.

(3) Be responsible for coordination of services for the land settlement area with other GOG agencies.

(4) Development of a detailed time phased implementation plan for this activity.

b. To accomplish this activity, the MAG or USAID will contract, with the prior approval of the other party, for the services of a cooperative management specialist and a cooperative operations specialist. The cooperative management specialist will assist the cooperative federations and participating cooperatives in the following activities:

(1) Organization and management of land settlement activities, selection of settlers, their orientation and transfer to the settlement areas, land division and development, establishment of community services and facilities;

(2) Organización y formación de nuevas cooperativas, establecimiento de sistemas administrativos, archivos y controles, y disposiciones para prestar ayuda técnica y crediticia.

(2) Organization and formation of new cooperatives, establishment of management systems, records and controls, and provisions for credit and technical assistance.

(3) La preparación de informes al MAG y la USAID de conformidad con las disposiciones de este Convenio y los términos del Préstamo 520-T-026.

(3) The preparation of reports to the MAG and USAID in accordance with the provisions of this Agreement and the Loan Agreement 520-T-026.

c. El especialista en operaciones de cooperativas prestará asesoría en las federaciones, cooperativas y miembros de cooperativas en sus metas agrícolas y desarrollo de planes agrícolas, incluyendo (1) cultivos a cosechar; (2) fuentes y origen de semillas; (3) métodos de cultivo; y (4) protección del medio ambiente. También prestará asesoría en la construcción de edificios, trazo de linderos y caminos de acceso que deban ser mejorados más tarde, y también prestará asesoría en métodos de mercadeo para maximizar las ganancias de los productores y de las cooperativas y desarrollar sistemas de agricultura que deban practicarse en armonía con el potencial de mercadeo.

c. The cooperative operations specialist will advise the federations, cooperatives and cooperative members in their agricultural pursuits and develpment of farm plans, including: (1) Crops that should be grown; (2) Sources of seed; (3) Cultural practices; and (4) Protection of the environment. The cooperative operations specialist will also assist with building construction, surveying boundaries and access trails which will be upgraded at a later date, and he will also advise on marketing practices to maximize returns to the producers and the cooperatives and develop farming systems to be practiced in harmony with the marketing potentials.

2. Desarrollo de los Recursos de la Tierra

a. La Dirección General de Servicios Agrícolas (DIGESA), será la unidad de ejecución responsable de supervisar y ejecutar las actividades de pequeño riego y conservación de suelos. La responsabilidad de estas operaciones descansará en los Jefes de DIGESA de la Región I y/o V, y las personas a nivel de campo se reportarán directamente con ellos.

b. DIGESA y el Banco Nacional de Desarrollo Agrícola (BANDESA), celebrarán un convenio dentro de un período de seis (6) meses después de la firma de este Convenio, detallando los procedimientos por medio de los cuales BANDESA hará préstamos de un fondo de crédito a los sub-proyectos de mini-riego recomendados por DIGESA. Para este propósito, BANDESA utilizará fondos del préstamo 520-T-026 hasta la cantidad de $500,000. BANDESA será administrador de un fondo de $250,000 formado con recursos del préstamo y de la contrapartida para cubrir los costos sociales para el sub-proyecto de conservación de suelos, que sería desembolsado en la forma recomendada por DIGESA.

2. Land Resources Development.

a. The Direccion General de Servicios Agrícolas (DIGESA) will be the implementation unit responsible for supervising and executing the small irrigation and soil conservation activities. Responsibility for operations will lie with Region I and/or Region V DIGESA Chiefs and the persons at the field level will report directly to them.

b. DIGESA and the Banco Nacional de Desarrollo Agrícola (BANDESA) will enter into an agreement within 6 months of the signing of this agreement, spelling out the arrangements whereby BANDESA will make loans from a credit fund to those mini-riego sub-projects recommended by DIGESA. For this purpose, BANDESA will use 520-T-026 loan funds up to an amount of $500,000. BANDESA will also act as custodian for a $250,000 AID loan/counterpart social-cost-payment fund for soil conservation which it will disburse for sub-projects recommended by DIGESA.

c. En vista de que el Instituto Nacional Forestal (INAFOR), ha desarrollado una gran cantidad de material de recursos en ciertas zonas del altiplano, incluyendo lugares en donde se han recomendado las prácticas de conservación de suelo y mini-riego, DIGESA llegará a un entendimiento con INAFOR dentro de seis (6) meses después de la firma de este convenio, que proveerá acceso sin restricción a todo el material además de consulta contínua durante la duración de este proyecto.

c. Inasmuch as the National Forestry Institute (INAFOR) has developed a large quantity of current resource material in certain areas of the highlands including locations where small irrigation and soil conservation practices are recommended, DIGESA will reach an understanding with INAFOR within 6 months of signing this Agreement that will provide for unrestricted access to all of the material as well as for continuous consultation throughout the life of the project.

d. DIGESA preparará un plan de ejecución detallado para esta actividad.

d. DIGESA will prepare a detailed time phased implementation plan for this activity.

e. Para obtener la asistencia técnica necesaria para llevar a cabo esta fase del Convenio, el MAG o la USAID, con la aprobación previa de la otra parte, contratará por los servicios de un especialista en riego y un especialista en conservación de suelos.

e. To obtain technical assistance necessary to execute this part of the agreement, the MAG or USAID with prior approval of the other party will contract for the services of an irrigation specialist and a soil conservation specialist.

(1) Especialista en Riego

Las responsabilidades del especialista en riego

(1) Irrigation Specialist -

Duties of the irrigation specialist will include the rendering

incluirán asistencia en los campos de ingeniería, organización de agricultores, financiamiento y producción de cultivos. Los equipos de mini-riego de DIGESA con ayuda del especialista en riego, prepararán planes para riego en pequeña escala, que se enviarán a los jefes de las Regiones I o V de DIGESA, según sea apropiado para su revisión y aprobación. Si fuesen aprobados, los sub-proyectos serán financiados de conformidad con los términos del Convenio DIGESA/BANDESA descrito anteriormente.

of assistance in engineering, farmer organization, financing and crop production. DIGESA mini-riego teams assisted by the irrigation specialist will prepare small scale irrigation development plans, which will be submitted to the chiefs of Region I or V, as appropriate, of DIGESA for review and approval. If approved, the sub-projects will be financed in accordance with the terms of the DIGESA/BANDESA Agreement described above.

El especialista ayudará en la identificación de sitios de riego, diseño de sistemas, organización de los dueños de la tierra, supervisión de la construcción de los sistemas, y su uso apropiado desde su terminación. El especialista también dará adiestramiento a los Promotores agrícolas en la utilización apropiada del agua y el uso y las clases de cultivos que deberán producirse para que los promotores agrícolas puedan a su vez ayudar a los agricultores en la utilización eficiente del agua de riego.

The irrigation specialist will assist with identification of irrigation sites, design of the systems, organization of the owners of the systems; supervision of construction of the systems, and appropriate use upon completion. He will also train extension agents in proper water application and use and the kinds of crops that should be grown in order that the extension agents can in turn assist the farmers in the efficient use of irrigation water.

(2) Especialista en Conservación de Suelos

Los equipos de conservación de suelos de DIGESA, ayudados por el especialista en conservación de suelos, prepararán sub-proyectos para su revisión y aprobación según se especifica anteriormente. Las responsabilidades específicas del especialista incluirán ayuda en la identificación de los sitios para la aplicación de las prácticas de conservación de suelos, organización de los usuarios (dueños), la planificación y diseño de estructuras (con información apropiada de costos), y la recomendación de prácticas apropiadas y manejo de técnicas de suelos. Los equipos con su ayuda, supervisarán la construcción de estructuras y recopilarán datos económicos continuos para determinar si, y hasta qué punto, el control de erosión contribuye al aumento del rendimiento de cosechas e ingresos agrícolas.

(2) Soil Conservation Specialist

DIGESA soil conservation teams, assisted by the soil conservation specialist, will prepare sub-projects for review and approval as above. The specialist's specific duties will include assistance in identification of sites for the applications of soil conservation practices, organization of owners, planning and design of the structures, (with appropriate cost information) and recommendation of farming practices and soil management techniques. The teams with his assistance, will supervise the erection of conservation structures and collect continuing economic data to determine if, and to what extent, erosion control contributes to increasing yields and farm incomes.

3. Recursos Humanos

a. La Unidad Sectorial de Planificación tendrá la responsabilidad directa de esta actividad, y preparará un plan detallado de ejecución calendarizado para

3. Human Resources

a. The Sector Planning Unit will have direct responsibility for this activity, and will prepare a detailed time phased implementation plan for the activity.

esta actividad.

b b. La Unidad Sectorial de Planificación, una vez reforzada, proveerá una perspectiva generalizada de tendencias del sector y sus requerimientos, integrando los programas de varias instituciones del sector en una estrategia coordinada a corto y mediano plazo. Hará estimaciones de los niveles de inversión requeridos para lograr los objetivos del sector y analizará el impacto de las políticas y niveles presupuestarios alternos. Además proveerá la capacidad de diseño para ayudar a las instituciones del sector público agrícola a planificar actividades anuales coherentes y que abarquen varios años de conformidad con la estrategia integrada a mediano y largo plazo formulada por el Consejo Nacional de Planificación Económica, y proveerá una forma de centralizar la recopilación, procesamiento, mantenimiento y análisis de las estadísticas sectoriales y ayudar en su utilización y diseminación.

b. The expanded Sector Planning Unit will provide an overall perspective on sectorial trends and requirements, integrating the programs of the various sector institutions in a coordinated short-term and medium-term strategy. It will estimate investment levels required to achieve sectorial objectives and analyze the impact of alternative policies and budget levels. Furthermore, it will provide a design capability to help the institutions of the agricultural public sector plan coherent annual and multi-year activities in accord with the integrated medium and long-term sector strategy formulated by the National Planning Council, and will provide a means of centralizing the collection, processing, maintenance, and analysis of sectorial statistics and facilitate their use and dissemination.

c. La Unidad Sectorial de Planificación será la entidad responsable de diseñar un plan de evaluación y

c. The Sector Planning Unit will be responsible for designing an evaluation plan and for the conduct of

para la conducción de evaluaciones de los programas del sector y asegurar que los resultados de estas evaluaciones estén disponibles para ser utilizadas en las decisiones posteriores sobre administración, programación, presupuestación e inversión; coordinará todos los programas de adiestramiento de pre y en-el-servicio dentro del sector, además de planificar la utilización de servicios existentes de adiestramiento, y también revisará los procedimientos de ejecución de los programas de estudios en el exterior.

evaluations of all sector programs as well as for assuring that the results of these evaluations are available to be used in subsequent management, program, budgeting and investment decisions and finally, will coordinate all pre- and in-service training programs within the sector as well as schedule use of existing training facilities.

d. La Unidad Sectorial de Planificación agrícola, en coordinación con la Secretaría General del Consejo Nacional de Planificación Económica, será responsable de seleccionar los contratistas de servicios técnicos relacionados con el proyecto financiado con recursos del préstamo y de donación. La Coordinadora Administrativa del Ministerio de Agricultura será responsable de revisar y aprobar los contratos por los servicios no personales, suministros y construcción de obras civiles.

d. The Sector Planning Unit, in coordination with the National Planning Council, will be responsible for selection of technical assistance contract personnel financed under Loan 520-T-026 and this project. The administrative unit of the MAG will be responsible for the review and approval of contracts for non-personal services, equipment, supplies and construction.

e. La Unidad Sectorial de Planificación será responsable de la coordinación de los informes requeridos bajo este convenio y el del Préstamo 520-T-026, así como de los informes internos dentro del Sector Publico Agrícola requeridos para llevar a cabo el proyecto de acuerdo con los planes del mismo.

e. The Sector Planning Unit will be responsible for coordinating reporting requirements stipulated in this Agreement, and in Loan Agreement 520-T-026 as well as other internal reports of the public agricultural sector required to carry out the project as planned.

f. Para llevar a cabo lo anterior, el MAG o la USAID, con el consentimiento previo de la otra parte, contratará los servicios de especialistas residentes y consultores a corto plazo según sea requerido y acordado mutuamente, que incluye pero no limita a los siguientes:

f. To accomplish the above, the MAG or AID with prior approval of the other, will contract for the services of resident specialists and short term consultants as required and mutually agreed upon which will include but not be limited to the following:

(1) Economista Agrícola Especializado y Economista Agrícola, quienes fungirán como asesores al Jefe de la Unidad Sectorial de Planificación del MAG y ayudarán al mismo y a su personal en la ejecución de las actividades de esta Unidad. Los contratistas asesorarán y ayudarán en:

(1) Senior Agriculture Economist and Junior Agriculture Economist, who will serve as advisors to the Chief of the Sector Planning Unit of the MAG and assist the Chief and his staff in the conduct of activities of the unit. The incumbents will advise and assist with:

(a) Recopilación, procesamiento y análisis de datos

(a) Collection, processing and analysis of data required

requeridos en la formulación de políticas del Sector Público Agrícola, y alocación de recursos;

for Public Agriculture Sector policy formulation and resource allocation;

(b) Preparación de planes anuales, estableciendo prioridades y requerimiento de recursos·

(b) Preparation of annual plans, establishing priorities and resource requirements;

(c) Revisar los presupuestos de las dependencias del Sector Público Agrícola;

(c) Review of Public Agriculture Sector agency budgets;

(d) Evaluar los programas del Sector Público Agrícola y los proyectos respectivos: y

(d) Evaluation of Public Agriculture Sector programs and projects; and

(e) Preparar los estudios de políticas según sean necesarios y/o requeridos por el MAG.

(e) Preparation of policy studies as necessary and/or as required by the MAG.

(f) Además de la asesoría que prestarán los contratistas al Jefe de la Unidad Sectorial de Planificación en la ejecución de las actividades que anteceden, incluyendo requerimientos de personal, metodología, y procedimientos administrativos, su responsabilidad primordial será la de-

(f) While incumbents will advise the Chief of the Sector Planning Unit on all matters described above, including staffing requirements, methodology and operating procedures, their primary technical advisory responsibility will be in definition of data requirements and appropriate collection procedures;

finición de requerimientos de datos y procedimientos apropiados de recopilación: sistemas de procesamiento de datos y formatos de presentación: técnicas de análisis económico: metodología de evaluación incluyendo la definición de datos básicos y la naturaleza y programación de la evaluación periódica dentro de la institución y/o independientemente, por contrato, y la preparación de estudios para revisión y la utilización por los funcionarios encargados de tomar decisiones del Sector Público Agrícola.

data processing systems and presentation formats; economic analysis techniques; evaluation methodology including definition of base line data requirements and nature and timing of recurring, periodic in-house and/or independent contract evaluation, and preparation of policy studies for review by and use of Public Agriculture Sector decision-makers.

(2) Especialista en Programación, Planificación y Presupuestación, quien fungirá como el asesor de la USPA en programación, planificación y presupuestación, y asesorará a la oficina en el establecimiento de procedimientos requeridos para:

(2) Programming, Planning and Budget Specialist, who will serve as advisor to the SPU on programming, planning, and budgeting matters and advise the office in establishing the procedures required to:

(a) Traducir los planes de mediano y largo alcance preparados por el Consejo Nacional de Planificación Económica en planes anuales que definan los objetivos del Sector Público Agrícola por año:

(a) Translate the medium and long-term plans prepared by the National Planning Council into annual programs which define Public Agriculture Sector objectives by year.

(b) Revisar y analizar las propuestas de programación y presupuestación de cada agencia del Sector Público Agrícola y preparar y presentar un presupuesto anual integrado para todo el sector público.

(b) Review and analyze the program and budget proposals of each agency of the Public Agriculture Sector and prepare and present an integrated annual budget for the entire public sector.

(c) Identificar y presentar puntos de importancia sobre programación, planificación y presupuestación al MAG y otros funcionarios encargados de tomar decisiones del Sector Público.

(c) Identify and present programming, planning and budget issues to the MAG and other Public Sector decision-makers.

Las responsabilidades del contratista serán las siguientes:

The duties of the contractor will include the following:

(d) Analizar los sistemas existentes de programación, presupuestación y métodos de cada institución del Sector Público Agrícola, y ayudar en el establecimiento de un sistema uniforme de programación, planificación y presupuestación para todo el sector.

(d) Analyze existing programming and budgeting systems and methods of each institution of the Public Agriculture Sector and assist in the establishment of a uniform programming, planning and budgeting system for the entire sector.

(e) Ayudar en el establecimiento de un sistema de control a nivel de sector que pro-

(e) Assist in the establishment of a control system at the sector level which provides de-

porciona a las personas encargadas de tomar decisiones con información actualizada sobre la ejecución comparada con los objetivos programados, y la utilización de recursos presupuestados, que permitan la reprogramación e intercambio de recursos según se requiera.

cision-makers with current information on performance against programmed objectives and utilization of budgeted resources to allow reprogramming and shifting of budget resources as required.

(f) Proporcionar adiestramiento al personal de la Unidad Sectorial de Planificación y otro personal del Sector Público Agrícola, en técnicas de programación, presupuestación y análisis de sistemas.

(f) Train the Sector Planning Unit and other Public Agriculture Sector personnel in programming, budgeting and systems analysis techniques.

(g) Preparar o supervisar la preparación durante el período inicial de doce meses de un sistema PERT para las actividades en este Convenio y el Préstamo de la AID 520-T-026, del cual se podrá extraer un Sistema de Ejecución de Proyecto (Project Performance Tracking System), para la duración del mismo.

(g) Prepare or cause to be prepared during the initial twelve-month period, a PERT for the activities under this Agreement and the AID Loan Agreement 520-T-026, from which a Project Performance Tracking System can be extracted for the life of the project.

(3) Especialista en Adiestramiento Agrícola

El contratista trabajará con el personal de la División de Adiestramien-

(3) Agriculture Training Specialist.

The contract technician will work with the staff of the

to del MAG y con la Unidad Sectorial de Planificación y ayudará a estas dos agencias en todas las fases del trabajo involucrado en el reforzamiento del programa de adiestramiento en pre- y en-el-servicio para empleados del sector público agrícola. Específicamente:

(a) Ayudarán en el diseño de programas anuales de adiestramiento, desarrollar planes detallados de adiestramiento incluyendo contenido de cursos, selección y preparación de materiales educativos, selección del personal de adiestramiento y selección de participantes;

(b) Inspeccionar las instalaciones de adiestramiento, recomendar y ayudar en el desarrollo de los planes requeridos para la renovación y/o reconstrucción;

(c) Proporcionar adiestramiento a los instructores, llevar a cabo actividades de adiestramiento y demostrar las técnicas de adiestramiento.

training division of the MAG and with the Sector Planning Unit and assist these two entities with all phases of the work involved in strengthening the pre-and in-service training program for employees of the agricultural public sector. Specifically, he will:

(a) Assist in the design of annual training programs, develop detailed training plans including course content, selection and preparation of teaching materials, selection of the training staff and selection of the trainees.

(b) Inspect training facilities, recommend and assist in development of plans required for renovation and/or reconstruction.

(c) Train the training staff, conduct training activities and demonstrate training skills and techniques.

(4) Consultores a Corto Plazo, en los campos de información, estadística, planificación, programación y evaluación, según se acuerde mutuamente, serán contratados hasta donde permitan los recursos financieros.

(4) Short Term Consultants in the fields of information, statistics, planning, programming and evaluation as mutually agreed upon will be provided to the extent that financial resources permit.

(5) Especialistas en Mercadeo

Una actividad complementaria indirectamente relacionada con este proyecto está incluida para proporcionar aproximadamente 24 meses de servicios profesionales de dos o más especialistas para llevar a cabo el trabajo descrito en la Sección II.D. Las responsabilidades incluirán un análisis de la demanda de mercadeo, un análisis de sistemas de mercadeo, un análisis institucional, análisis financiero, y otros esfuerzos requeridos para desarrollar un Proyecto (Project Paper) de Préstamo para mercadeo cooperativo que será presentado a la AID en el período de abril/julio 1977.

(5) Marketing Specialists.

A complementary activity, indirectly related to this project, is included to provide about 24 worker month of services of two or more specialists to carry out the work described in Section II, D. Duties will include conduct of a market demand analysis, a market system analysis, an institutional analysis, a financial analysis and other efforts required to develop a Project Paper for a cooperative marketing loan to be presented for AID/W approval in April-July 1977.

IV. SISTEMA DE EVALUACION DEL PROYECTO

La Unidad Sectorial de Planificación tendrá la respon-

IV. PROJECT EVALUATION SYSTEM

The Sector Planning Unit will have the primary responsibility

sabilidad de asegurar que los programas de operación del MAG en general, y aquellos apoyados por la USAID en particular, reciban una evaluación periódica. La Unidad Sectorial de Planificación asegurará que el conocimiento adquirido en la recopilación de datos y el análisis de programas activos sea directamente relacionado y compatible con los requisitos generales de información y evaluación del sector.

for insuring that the operating programs of the MAG in general, and those supported by USAID in particular, undergo regular evaluation. The Sector Planning Unit will assure that the knowledge gained in the data collection and analysis of on-going programs is directly applicable and compatible with the sector's overall information and evaluation requirements.

El personal técnico de la Unidad Sectorial de Planificación asegurará que los resultados de las evaluaciones de todos los programas del sector estarán disponibles para las decisiones posteriores sobre administración, presupuestación, programación e inversión.

The technical personnel within the Sector Planning Unit will assure that the results of evaluations of all sector programs are available for use in subsequent management, program, budgeting, and investment decisions.

V. RESPONSABILIDAD DE LAS PARTES

A. La USAID por este medio conviene en proporcionar·

1. Servicios por Contrato·

Hasta $549,000 para sufragar los costos de los servicios de dos especialistas en cooperativas, un especialista en riego y un especialista en conservación de suelos, además de dos

V. RESPONSIBILITIES OF THE PARTIES

A. USAID hereby agrees to provide·

1. Contract Services·

Up to $549,000 to defray costs for the services of two cooperative specialists, an irrigation specialist, a soil conservation specialist, two agriculture economists, one programming, planning and budgeting specialist, one

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economistas agrícolas, un especialista en programación, planificación y presupuestación, y un especialista en adiestramiento agrícola para aproximadamente doce meses de trabajo cada uno, y dos o más especialistas en mercadeo, por un total de 24 meses de trabajo.

2. Otros Costos

Hasta $26,000 a ser utilizados para materiales de referencia y costos de apoyo en la conducción del proyecto, tales como viajes internacionales, viáticos, consultores en campos especializados, y la compra de otros materiales y servicios no disponibles en el tiempo dado.

B. El MAG acuerda en proporcionar:

1. Servicios Técnicos

Al utilizar los recursos del Gobierno de Guatemala y los fondos del Préstamo de la AID, el MAG contratará y/o asignará personal de apoyo profesional, subprofesional y auxiliar que sea requerido para desarrollar los planes de ejecución calendarizada (la

agriculture training specialist for about twelve worker months each, and two or more marketing specialists for a combined total of 24 worker months.

2. Other Costs

Up to $26,000 to be used for reference materials and other support costs that develop in conduct of the project such as international travel, consulting fees and perdiem for short-term advisors and consultants in specialized fields as mutually a agreed by the MAG and USAID, and the purchase of required supplies and services not otherwise available on a timely basis.

B. The MAG agrees to provide:

1. Technical Services

Utilizing GOG and AID Loan resources, the GOG will recruit and/or assign appropriate professional, sub-professional and support staff required to develop detailed time phased implementation plans (which will be jointly discussed with USAID), in order to execute this Agreement and the AID Loan Agreement 520-

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cual será discutida conjuntamente con la USAID con el fin de llevar a cabo este Convenio y el Convenio de Préstamo 520-T-026 de una manera efectiva y oportuna.

T-026 in an effective and timely manner.

Los requerimientos para llevar a cabo este proyecto incluye

a. Colonización

De conformidad con la Sección 3.02 del Convenio de Préstamo AID 520-T-026, el Gobierno de Guatemala designará a una unidad de ejecución dentro del Sector Público Agrícola que preparará un plan detallado de ejecución calendarizado para esta actividad a más tardar el 30 de noviembre de 1976.

b. Mejoramiento de los Recursos de la Tierra

De conformidad con la Sección 3.04 del Convenio de Préstamo AID 520-T-026, el MAG establecerá una unidad de ejecución dentro del Sector Público Agrícola que preparará un plan detallado programado para esta actividad a más tardar el 15 de diciembre de 1976, que especifique el número y la clase de personal requerido.

The requirements for carrying out the project include:

a. Land Settlement

Pursuant to Section 3.02 of the AID Loan Agreement 520-T-026, the GOG will designate an implementation unit within the Public Agricultural Sector which will draw up a detailed time-phased implementation plan for this activity by November 30, 1976.

b. Land Resources Improvement

Pursuant to Section 3.04 of the AID Loan Agreement 520-T-026, the MAG will establish an implementation unit within the Agricultural Public Sector which will draw up a detailed time-phased implementation plan for this activity by December 15, 1976, which specifies the number and type of people required. These people will be assigned to their appropriate positions in order

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Estas personas serán asignadas a sus puestos adecuados con el fin de tener 250 hectáreas de tierra en riego en pequeña escala y 250 hectáreas de tierra utilizando las estructuras de conservación de suelo a más tardar el 31 de diciembre de 1977.

to be able to have 250 hectares of land under small scale irrigation and 250 hectares of land utilizing soil conservation structures by December 31, 1977.

c. Recursos Humanos

De conformidad con la Sección 3.05 del Convenio de Préstamo 520-T-026, el MAG, a través de la Unidad Sectorial de Planificación preparará un plan detallado calendarizado de ejecución para esta actividad a más tardar el 15 de diciembre de 1976 que especifique el número y el tipo de personas requeridas. Estas personas serán asignadas a sus puestos a más tardar el 1 de enero de 1977.

c. Human Resources

Pursuant to Section 3.05 of the AID Loan Agreement 520-T-026, the MAG Sector Planning Unit will prepare a detailed time-phased implementation plan for this activity by December 15, 1976, which specifies the number and type of staff required. These people will be assigned to their appropriate positions by January 1, 1977.

Para el programa de adiestramiento, el MAG preparará un plan de ejecución detallado calendarizado a más tardar el 30 de noviembre de 1976, que especifique el número y tipo de personas requeridas y estas serán asignadas a sus puestos a más tardar el 1 de enero de 1977.

The MAG will set out a detailed time-phased implementation plan for the training coordination by November 30, 1976, that specifies the number and type of staff required and they will be assigned to their appropriate positions by January 1, 1977.

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2. Servicios de Apoyo

Al utilizar fondos del Gobierno de Guatemala y el Préstamo AID 520-T-026, el MAG proporcionará espacio de oficina adecuado, servicios secretariales, viajes y transportes, viáticos, productos de petroleo, mantenimiento de vehículos, materiales y suministros, requeridos para llevar a cabo el proyecto eficientemente.

2. Support Services

Utilizing GOG and AID Loan 520-T-026 resources, the MAG will provide appropriate office space, secretarial services, travel and transportation, per diem, petroleum products, maintenance of vehicles, materials and supplies required for effective conduct of the project.

3. Otros Servicios

Utilizando recursos del Gobierno de Guatemala y la AID a través del Préstamo 520-T-026, el MAG proveerá fondos para materiales de referencia, tiempo de computadoras y otros costos miscelaneos de apoyo que sean requeridos para la administración de la oficina y la ejecución del proyecto. Además, se proveerán fondos para sufragar los costos de viajes internacionales a conferencias y simposios que contribuyan directamente a la ejecución eficiente de sus actividades.

3. Other Services

Utilizing GOG and AID Loan 520-T-026 resources, the MAG will provide funds for reference materials, computer time, and other miscellaneous support costs that are required for office operations in conduct of the project. Furthermore, funds will be provided to defray the cost of international travel and incidental expenses that will permit Guatemalan personnel to attend international conferences and symposiums that contribute directly to the efficient conduct of their activities.

4. Informes

a. Informes de los contratistas

Todo el personal

4. Reports

a. Contractor Reports

All specialized per-

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especializado financiado con fondos en este Convenio, presentará informes breves mensuales de actividad e informes anuales o finales al MAG o su designado, con copia a la USAID a más tardar diez días después del final del período que corresponde al informe para los informes mensuales y treinta (30) días para presentar los informes anuales o finales. El formato será acordado y aprobado por el MAG y la USAID.

sonnel financed by funds under this Agreement shall submit brief monthly activity reports and annual or terminal reports to the MAG or its designee with a copy to USAID not later than 10 days following the end of the reporting period for monthly reports and 30 days following the end of the reporting period for annual or terminal reports. The formats will be worked out and approved by the MAG and USAID.

b. Informes del Ministerio de Agricultura

Los informes preparados por el MAG serán redactados de conformidad con los requerimientos de este Convenio y el Convenio de Préstamo AID 520-T-026, y las Cartas de Ejecución preparadas para el efecto.

b. Ministry of Agriculture Reports

Reporting by the MAG will be governed by reports required by this Agreement and AID Loan Agreement 520-T-026 and Implementation Letters issued thereunder.

El MAG también presentará un informe a más tardar el 15 de junio y el 15 de diciembre sobre los puntos involucrados en los Indicadores Claves de Ejecución (Key Performance Indicators),

The MAG will also report by June 15 and December 15 on the achievement of the Key Performance Indicators which are shown in the one-year Project Performance Tracking Network which is attached as Annex B.

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que señalan en el Sistema de Ejecución de Proyecto (Project Performance Tracking Network) que forma parte de este convenio como el Anexo B. Este sistema será revisado durante el primer año del proyecto para incorporar indicadores claves basados en los planes detallados calendarizados de ejecución (PERT), y resultará en un Sistema de Ejecución de Proyecto (PPTS) completo para la duración del proyecto.

This network will be amended during the first year of the project to include key performance indicators based upon the detailed time-phased implementation plans (PERT) and will become the Project Performance Tracking System (PPTS), for the life of the project.

VI. DISPOSICIONES FISCALES

El Anexo D, Disposiciones Fiscales, por este medio forma parte integral de este Convenio, y se adjunta al mismo.

VI. FINANCIAL PROVISIONS

The Financial Provisions Annex D, attached, are hereby made a part of this Agreement.

VII. DISPOSICIONES ESPECIALES

El Gobierno de Guatemala conviene en ceder formalmente a AID, a su requerimiento, cualquier derecho de acción que pueda resultar a las dependencias del Gobierno Cooperante, en conexión con o proveniente de un hecho del contratista o por incumplimiento en la ejecución de cualquier contrato financiado parcial o totalmente con fondos proporcionados por el Gobierno de los Estados Unidos bajo

VII. SPECIAL PROVISIONS

The Cooperating Government agrees to execute an assignment to AID upon request, of any cause of action which may accrue to the Cooperating Government agencies in connection with or arising out of a contractor's performance or breach of performance of any contract financed in whole or in part out of funds provided by the United States Government under the laws of Guatemala and the terms of this Agreement.

For the Cooperating Government or Agency	For the Agency for International Development
SIGNATURE: _____ DATE: _____	SIGNATURE: _____ DATE: _____
TITLE:	TITLE:

PROJECT AGREEMENT
BETWEEN AID AND
The National Economic Planning Council
AN AGENCY OF THE GOVERNMENT OF
Guatemala

1. Project Number: 520-[illegible] 237
2. Agreement No.: 76-3
3. Project/Activity Title: Small Farmer Improvement
Mejoramiento del Pequeño Agricultor

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las leyes de Guatemala y los términos de este Convenio.

VIII. DISPOSICIONES GENERALES

El Anexo de Disposiciones Generales forma parte de este Convenio, y se adjunta al mismo.

Firmado en los idiomas español e inglés el 29 del mes de junio de 1976.

VIII. STANDARD PROVISIONS

The Standard Provisions Annex C, attached, is hereby made a part of this Agreement

Signed in the Spanish and English languages this 29 day of June, 1976.

General de Brigada, DEM
Fausto David Rubio Coronado
Ministro de Agricultura

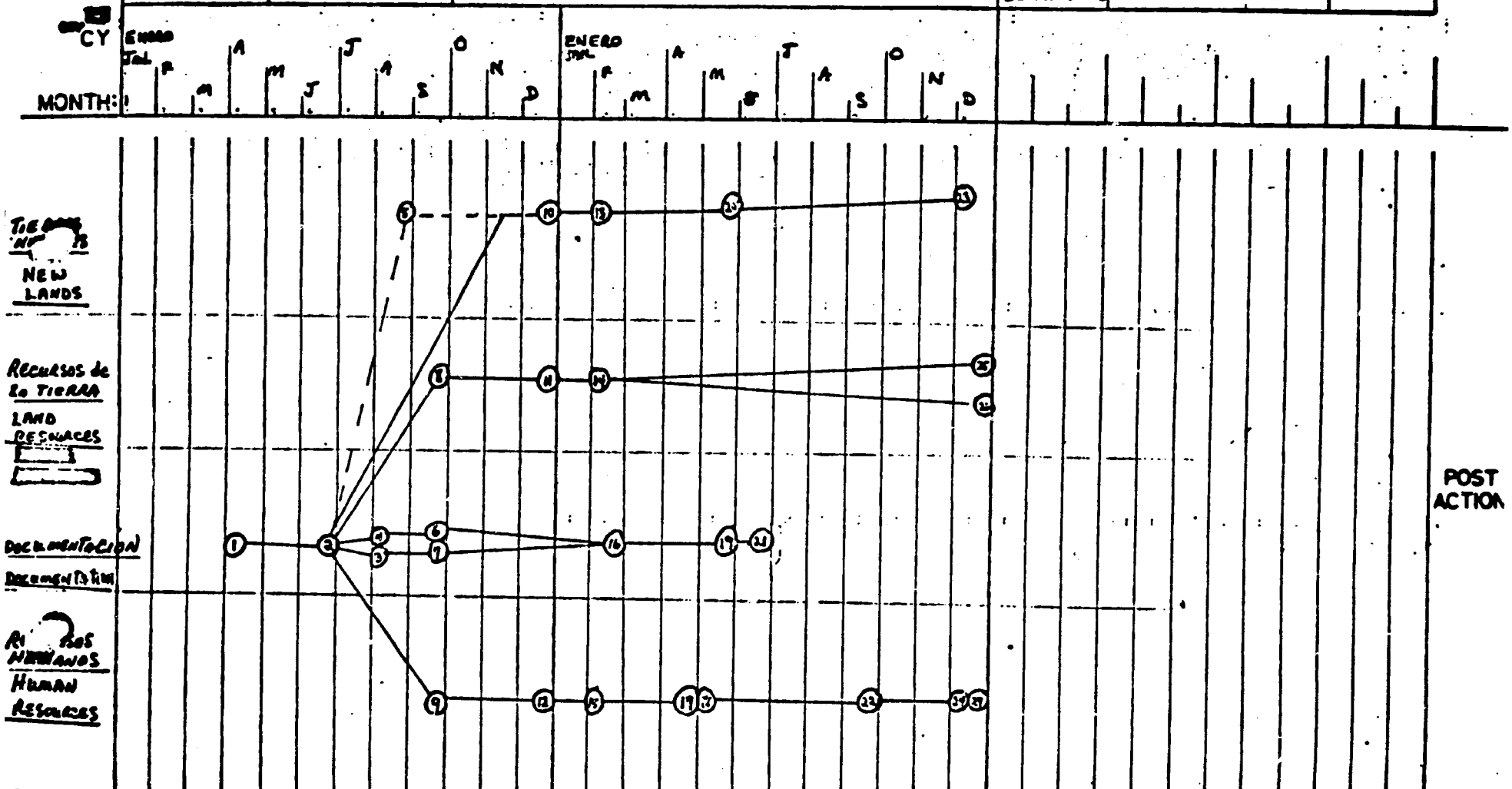
Edward W. Coy
Director
USAID/Guatemala

Lic. Armando González Campo
Secretario General, Consejo Nacional de Planificación Económica

/bb/bar/al.

For the Cooperating Government or Agency	For the Agency for International Development
SIGNATURE: DATE:	SIGNATURE: DATE:
TITLE:	TITLE:

COUNTRY:	PROJECT NO:	PROJECT TITLE:	DATE:	/ X / ORIGINAL	PPT APPR
GUATEMALA	520-11-190-233	MEJORAMIENTO DEL PEQUEÑO AGRICULTOR SMALL FARMER IMPROVEMENT	30 JUN. 1976	/ REVISION ___	



FINANCIAL PLAN:

EVALUATION PLAN:

PROJECT PERFORMANCE NETWORK

ANEXO "B"

1.	4-15-76	Se firma el Convenio de Préstamo
2.	6-30-76	Se firma el Convenio de Proyecto
3.	8-16-76	Se aprueba el Prestamo por el Congreso de Guatemala
	8-15-76	Se incluyen en la presentación presupuestaria del Gobierno de Guatemala correspondiente al año calendario 1977 los fondos para las actividades del proyecto
5.	8-31-76	Se contratan los tecnicos extranjeros para la fase de colonizacion de nuevas tierras
6.	9-30-76	Se cumple con las Condiciones Previas 3.01
7.	9-30-76	Se firma el Convenio de Proyectos que corresponde al trimestre adicional de julio a septiembre
	9-30-76	Se contratan tecnicos extranjeros y el personal del Gobierno de Guatemala para la fase de recursos de la tierra
9.	9-30-76	Se contratan los técnicos extranjeros y el personal del Gobierno de Guatemala para la fase de recursos humanos
10.	12-31-76	Se cumple con las condiciones Previas 3.02
11.	12-31-76	Se cumple con las Condiciones Previas 3.04
12.	12-31-76	Se cumple con las Condiciones Previas 3.05
13.	2-15-77	Se firma el Convenio de Federaciones de Cooperativas del Gobierno de Guatemala para la fase de nuevas tierras
14.	2-15-77	Se firma el convenio de procedimientos para los equipos técnicos de "Recursos de la Tierra" y el Convenio de DIGESA/BANDESA para Créditos/Donaciones supervisadas
15.	2-15-77	El personal completo del SPU en funciones
16.	2-28-77	Se terminan de efectuar las compras iniciales de vehiculos
17.	4-30-77	Se inicia la compra del Equipo para Adiestramiento
18.	5-15-77	Se conceden 7 becas
19.	5-31-77	Se completa el ciclo del Proyecto PERT
20.	5-31-77	Se establece el Centro de Colonización Base para la fase de tierras nuevas, y se instalan las primeras familias
21.	6-30-77	Se firma el Convenio de Proyecto
22.	9-30-77	Se conceden 17 becas
23.	12-15-77	Se instalan 300 familias en las tierras nuevas
24.	12-15-77	Se remodela el Centro de Adiestramiento de Amatitlán
25.	12-31-77	Se continúa la construcción de sistemas para el proyecto de mini-riego en 250 has.

26	12-31-77	Se establecen técnicas de conservación de suelos en 250 has.
	12-31-77	Se completa la compra del equipo para adiestramiento

Annex "B"

1. 4-15-76 Loan Agreement signed

2. 5-30-76 Project Agreement signed

3. 8-16-76 GOG Congressional approval of Loan

4. 8-15-76 Funds for project activities included in GOG CY 77 budget submission

5. 8-31-76 Contract foreign technicians - new lands settlement

6. 9-30-76 Conditions Precedent 3.01 met

7. 9-30-76 Interim Quarter Project Agreement signed

8. 9-30-76 Contract foreign technicians and GOG personnel assigned (land resources)

9. 9-30-76 Contract foreign technicians and GOG personnel assigned (human resources)

10. 12-31-76 Conditions Precedent 3.02 met

11. 12-31-76 Conditions Precedent 3.04 met

12. 12-31-76 Conditions Precedent 3.05 met

13. 2-15-77 GOG Coop Federations Agreement signed (New Lands)

14. 2-15-77 Land Resources team procedures and DIGESA/BANDESA credit/social payment agreement signed

15. 2-15-77 Full SPU staff on board

16. 2-28-77 Initial vehicle procurement completed

17. 4-30-77 Initiate procurement of training equipment

18. 5-15-77 Seven Scholarships

19. 5-31-77 Life of Project PERT complete

20. 5-31-77 Base camp established (new lands, and initial families settled)

21. 6-30-77 Project Agreement signed

22. 9-30-77 Seventeen scholarships

23. 12-15-77 300 families settled (new lands)

24. 12-15-77 Amatitlán Training Center remodeled

25. 12-31-77 Construction 250 has. mini-riego

26. 12-31-77 250 has. utilizing soil conservation techniques

27. 12-31-77 Training equipment procurement complete

PD-AAF-239 5200233

1. INITIAL STARTING DATE (Mo., Day, Yr.) January 1, 1977	**PASA** **PARTICIPATING AGENCY SERVICE AGREEMENT** BETWEEN THE AGENCY FOR INTERNATIONAL DEVELOPMENT AND U.S. Department of Agriculture Economic Research Service	6. [X] PASA ORIGINAL [ ] PASA AMENDMENT ____
2. PROJECTED COMPLETION DATE (Mo., Day, Yr.) December 31, 1978		7. PASA NUMBER AG/GUA 233-1-77
3. CATEGORY [X] TDY [X] ASSIGNED		8. COUNTRY/AID/W OFFICE Guatemala
4. DURATION OF FUNDING [X] CURRENT YEAR [X] FORWARD FUNDING	5. PROJECT NO. AND TITLE 520-11-190-233 Small Farmer Improvement	9. TYPE [ ] REIM. [X] GRANT [ ] LOAN — 10. YEAR FY 19 77

11. FUNDING

A. CITATIONS	(1) APPROPRIATION NO. 72- see below*	(2) ALLOTMENT NO. seebelow	(3) PIO/T/OBLIGATION NO. see below	
B. AMOUNT	(1) INITIAL OR CURRENT $264,100	(2) CHANGE (+ OR -)	(3) NEW TOTAL	
C. TOTAL PROJECT COSTS	(1) PRIOR YEARS (FOR CONTINUOUS PROJECTS)	(2) FUTURE YEARS (INCLUDE CURRENT FUNDING-BLOCKS B(1) OR B(3))	(3) ESTIMATED TOTAL	
D. PRINCIPAL COST COMPONENTS (BLOCK B)	(1) SALARIES, DIFFERENTIAL AND BENEFITS $167,826	(2) TRANSPORTATION INCLUDING PER DIEM $40,308	(3) MISCELLANEOUS $3,148	(4) OVERHEAD $52,818
E. SUPPLEMENTAL AID SUPPORT	(1) INITIAL OR CURRENT	(2) CHANGE (+ OR -)	(3) NEW TOTAL	

12. STATEMENT OF PURPOSE

I. Summary

The purpose of this agreement with the U.S. Department of Agriculture's Economic Research Service is to provide funds to secure the services of a variety of Agricultural technicians who will assist the Ministry of Agriculture of Guatemala to improve their capacity to plan, program and deliver improved technical assistance and other services to the Rural Poor target group.

Appropriation #	Allotment #	PIO/T#	Amount
72-11X1023	402-50-520-00-69-51	520-233-2-TQ-006	$ 58,000
72-11X1023	402-50-520-00-69-53	520-233-2-60030	125,000
72-11X1023	402-50-520-00-69-53	520-233-2-60032	63,500
72-11X1023	402-50-520-00-69-53	520-233-2-60033	17,600
		Budget	$264,100

13. GOVERNING PROVISIONS: PURSUANT TO THE GENERAL AGREEMENT DATED Feb.20,1967 BETWEEN AID AND THE USDA, THE AGENCY NAMED ABOVE AGREES TO PROVIDE THE SERVICES OUTLINED IN BLOCK 12 AMPLIFIED AS NEEDED BY APPENDIX A UNLESS OTHERWISE AUTHORIZED BY AID. ALL SERVICES SHALL BE OF U.S. ORIGIN. ANY APPENDICES ATTACHED HERETO ARE CONSIDERED PART OF THIS PASA.

14. SIGNATURES

NAME: OLIVER A. BAUMAN	NAME: J. William Auer
TITLE/OFFICE: Acting Director, FDD/ERS	TITLE/OFFICE: CHIEF, PARTICIPATING AGENCY BRANCH CONTRACT MANAGEMENT, AID
DATE: Feb. 15, 1977	DATE: FEB 4 1977

15. APPENDICES

[X] APPENDIX A – SCOPE OF WORK
[X] APPENDIX B – BUDGET PLAN
[ ] OTHER/REFERENCE ____

16. NEGOTIATING OFFICERS

RECORD COPY

AID: CM/SOD/PAS:JWAuer/HISchroeder
AGENCY: USDA/ERS:GWaldman
MFox

AID 2-2 (11-75)

PARTICIPATING AGENCY SERVICE AGREEMENT
Between
THE AGENCY FOR INTERNATIONAL DEVELOPMENT AND
U.S. Department of Agriculture
Economic Research Service

[X] ORIGINAL [ ] AMEND NO. ____
PASA No. AG/GUA-233-1-77
FISCAL YEAR 1977

II. Duties and Responsibilities

1. The Senior Agricultural Economist will be responsible for but not limited to the following duties:

(a) collection, processing and analysis of the data required for Public Agricultural Sector (PAS) policy formulation and resource allocation,

(b) Participation in preparation of medium-term plans establishing medium and long-range PAS goals, priorities and resource requirements;

(c) Programming of annual PAS Targets and resource allocations,

(d) Preparation and presentation of Ministry of Agriculture budget request;

(e) Review and approval of PAS Agency budgets;

(f) Evaluation of PAS programs and projects;

(g) Preparation of policy studies as requested by the Minister of Agriculture.

While the incumbent will advise the Director of SPU on all matters described above, including staffing requirements methodology and operating procedures, his primary technical advisory responsibility will be in definition of data requirements and appropriate collection procedures; data processing systems and presentation formats; economic analysis techniques; evaluation methodology including definition of base line data requirements and nature and timing of recurring, periodic in-house and/or independent contract evaluation, and preparation of policy studies for review by and use of PAS decision makers.

The incumbent will work in close, daily collaboration with the Director of the Sector Planning Unit and his staff. GOG working hours and holidays will be observed. Language Ability S-3 R-3 Spanish Required

Qualifications:

Incumbent should possess PhD in agricultural economics and have complete professional competence in economic analysis techniques, agricultural policy formulation and data collection and processing procedures. A minimum of two years' experience in economic analysis related to public sector agricultural planning in a Spanish-speaking country is also required.

2. Junior Agricultural Economist

Duties:

(a) Under the direction of the Senior Agricultural Economist, the incumbent will serve as advisor to personnel of the Sector Planning Unit of the Ministry of Agriculture (MinAg) in all phases of their operations which are described in detail above.

(b) Additionally, the incumbent will be expected to be familiar with and have competence in developing methodologies appropriate for the conduct of natural resource studies, assist in the conduct and analysis of such study data from a policy point of view and incorporate the salient findings of such studies into development plans.

(c) The incumbent will work in close, daily, collaboration with the Director of the Sector Planning Unit (SPU) and his staff. GOG working hours and holidays will be observed.

Qualifications: Incumbent should hold at lease an M.S. degree and be preferably a PhD candidate. He would benefit from two years of experience in analytical techniques, preferably in a developing country. He must be willing to serve as

a subordinate to the person occupying the Senior position, facilitating their working together as a team with the Guatemalan staff. He must be energetic and accurate and be able to transfer these qualities to his counterparts.

Duty Post: Guatemala
Language Ability: S-3 R-3 Spanish Required

3. Agriculture training specialist

The incumbent in this position will work with the staff of the training division of the Ministry of Agriculture and with the Sector Planning Unit of the Ministry of Agriculture and assist these two entities with all phases of the work involved in strengthening the pre and in-service training program for employees of the agircultural public sector.

Primary activities will include:

(a) Assist in the design of annual training programs for public sector employees.

(b) Develop detailed plans for conduct of the training programs including content, preparation of teaching materials, selection of staff to conduct the training and select the recipients of training.

(c) Select the training materials that are required for the conduct of the programs and take actions required for procurement on a timely basis.

(d) Review the facilities available for training and make recommendations for required renovation and/or construction.

(e) Serve as a trainer to the training activities to the extent necessary to demonstrate desirable training skills and techniques and to assure thorough coverage of the materials being taught.

(f) Participate directly in the design, contents and reproduction of printed materials and visual aids to be used in presentation of the in-service training courses.

(g) Maintain close coordination with each Public Agriculture Sector institution through direct contact and bi-monthly meetings of an inter-institutional training committee.

(h) Be responsible for overall evaluation of the pre and in-service training program, recommending adjustments accordingly.

In order to perform the above functions, incumbent must become thoroughly familiar with the organization and operations of all the agencies comprising the agricultural public sector.

Incumbent will be officed with a staff of Guatemalan persons responsible for the functions of planning and conducting pre and in-service training. With and through this group, he will also work with those persons responsible for training in all agencies of the public sector.

Benefit will also be gained from developing contacts outside the agricultural agencies in order to take advantage insofar as possible of their experiences in similar endeavours.

Qualifications

Incumbent should have at lease an MS degree in agriculture or in education

with a BS in agriculture and no less than five years of expreience in the planning and conduct of professional training designed to improve the professional competence of civil servants. Experience in training people in order to assist farmers improve incomes and welfare would be most valuable.

Duty Station: Guatemala
Language Ability: S-2 R-2 Spanish desirable

4. Irrigation Specialist- Duties to be performed by the incumbent will be most importantly of an engineering nature, but will include farmer organization financing and crop production as well. Basically he will work with a team or teams of Guatemalan technicians in the development of small scale irrigation farming in the highland region of the country. This will consist of but not be limited to the following:

a) Identification of irrigation sites that can be developed utilizing intensive labor techniques. Most sites will involve an area of desireable, productive land adjacent to or within close proximity of a permanent water supply.

b) Design of the system from source of water to its distribution in the fields.

c) Organization of the owner or owners in such a way that they can construct the system and apply water in an efficient manner.

d) Supervise construction of the systems and assist farmers in appropriate use of labor and assure that systems function upon completion.

e) Participate as an insturctor in short courses to train extension agents in proper water application and use and the kind of crops that should be grown in order that they can in turn assist the farmers in the efficient use of irrigation. Language Ability S-2 R-2 Spanish Required

5. Soil Conservation Specialist

Working directly with a team or teams composed of Guatemalans, the incumbent in this position will advise and assist them in performance of the following duties:

a) Identification of optimal sites for the application of soil conservation practices in the Western highlands.

b) Organization of owners of the lands selected in such a way that conservation practices can be carried out in a mutually beneficial manner using labor intensive methods.

c) Development of a list of equipment required for conduct of the project and follow through on procurement.

d) Planning and design of the structures that are to be built on the sites selected and preparation of appropriate budgetary information, including work day requirements, types of structures, recommended farming practices and soil management techniques.

e) Supervision of the erection of conservation structures in order to assure that they adhere to design criteria and serve the purpose for which they were designed.

f) In addition to assisting and advising the Guatemalan teams in the performance of the above tasks, the incumbent will serve as an instructor

for in-service training courses for extension personnel in order that they will have the necessary capacity to advise farmers on proper land use in order to protect it from erosion and increase moisture retention.

g) Collection of economic data to the extent possible in order to determine if, and to what extent, erosion control contributes to increasing yields and farm incomes.

The objective of these services is to assist the MinAg to increase the productive capacity of Small farmer land resources by the construction and water shed management practices.

Post: Guatemala

Language Ability: S-2 R-2 Spanish Required

6. Agricultural Statistician

The objective for which the Technical Services are to be used is to develop an institutional capability within the MinAg (Agriculture Public Sector) to successfully collect, summarize, and publish reliable data for the agricultural sector.

The incumbent will work with the data and information division of USDA to:

1) Participate in the completion of the Area Sample Frame.

2) Assist in the development of a program of work to establish an agricultural survey capability within the Government of Guatemala utilizing the area sample frame.

3) Provide technical guidance for the statistical work performed under this project.

4) Coordinate with and advise other US specialists on the use of the area sample frame with respect to their data needs.

5) Serve as an advisor to the Chief of the Guatemalan Agricultural Statistical Program to jointly develop:

a) Survey schedules

b) Personnel requirements and job descriptions to carry out survey objectives

c) Administrative and logistical procedures to support program activities

d) In-house training programs

e) Technical manuals, questionnaires, and summary prodecures.

f) Coordination and communication procedures within the MinAg and between other Ministries that would have interest in agricultural sector information.

6) Advise on and schedule GOG requests for supporting consultants.

7) Be an integral part of the team of specialists to be assigned by the USDA to assist the GOG to implement the Small Farmer Development Project and work within the Sector Planning Unit to develop the data base for analytic and planning activities of the Public Agricultural Sector.

Duty Post: Guatemala

Language Ability: S-2 R-2 Spanish Required

III. Reports

All specialized personnel financed by funds under this agreement shall submit brief monthly activity reports and annual or terminal reports to the Ministry of Agriculture or its designee with a copy to the USAID/G not later than 10 days following the end of the reporting period for monthly reports and 30 days following

PARTICIPATING AGENCY SERVICE AGREEMENT
Between
THE AGENCY FOR INTERNATIONAL DEVELOPMENT AND
U.S. Department of Agriculture
Economic Research Service

ORIGINAL ☒ AMEND NO. ☐
PASA No. AG/GUA 233-1-77
FISCAL YEAR 1977

the end of the reporting period for Annual or Terminal reports. The formats will be worked out and approved by the Ministry of Agriculture and USAID/G prior to submission of the first reports.

IV. Relationships

Technicians will be responsible to, and work under the policy guidance of the Second Vice Minister of the MinAg or his designee.

Liaison, GOG
Director, Sector Planning Unit, Ministry of Agriculture
Liaison, AID
Chief, Office of Rural Development - USAID Guatemala

V. Background Information

The Ministry of Agriculture will make all of the relevant background information in their files available to the contractors.

VI. Logistics

1. The MinAg will provide the technician(s) with working counterparts, office space, supplies and equipment, secretarial assistance, plus the provision of a vehicle with maintenance, fuel and oil for full-time project use.
2. Technician(s) will also receive from the MinAg on an "as available" basis, training aids, demonstration materials, publications, and reproduction materials necessary to carry out the program.
3. The MinAg will assume full responsibility for all logistic services required under the contract and assures that each technician contracted will become eligible for all benefits provided under the Guatemalan law relating to "International Organizations."
4. The Controller, USAID/G will act as fiscal agent of the Ministry of Agriculture in the case of a Grantee Contract for the purpose of making payments directly to the contractor(s).
5. International travel and per diem will be apid by AID, however, all travel arrangements are to be the responsibility of the USDA.

VII. Special Provisions

1. All international travel must be approved by CM/SOD/PAS prior to departure.
2. Both consultants are required to have S-3 and R-3 language capability in Spanish.

BUDGET PLAN APPENDIX B PAGE 1 OF 1	PARTICIPATING AGENCY SERVICE AGREEMENT BETWEEN THE AGENCY FOR INTERNATIONAL DEVELOPMENT AND U.S. Department of Agriculture Economic Research Service	1. PASA NO. AG/GUA-233-1-77	2. AMENDMENT NO.	3. FISCAL YEAR 1977
		4. APPROPRIATION 72- See face sheet	5. ALLOTMENT	6. AMOUNT CURRENTLY FUNDED

7. FUNDED BY	PIO/T-OBLIG. NO.	AMOUNT	PIO/T-OBLIG. NO.	AMOUNT	PIO/T-OBLIG. NO.	AMOUNT
	See face sheet					

8. PASA BUDGET PLAN – FUNDING

DESCRIPTION	AMOUNT
SALARIES	$ 135,505
BENEFITS (approx. 9.5 % OF SALARIES)	18,091
DIFFERENTIAL (____ % OF SALARIES)	14,230
LEAVE FACTOR (TDYs ONLY) (____ % OF SALARIES & BENEFITS)	
TRAVEL (EXPLAIN BELOW)	1/ 11,400
PER DIEM (EXPLAIN BELOW)	
MOVEMENT EFFECTS (INTERNATIONAL) (NORMALLY ONLY MOVEMENT TO POST)	2/ 22,090
MOVEMENTS/STORAGE OF EFFECTS (DOMESTIC)	3/ 6,818
OTHER: (SPECIFY BELOW)	4/ 3,140
OVERHEAD 40 % ☐ SALARIES & BENEFITS ☐ PERSONNEL COSTS ☒ ALL COSTS	52,818
TOTAL (INCLUDES ____ TO BE FUNDED BY FUTURE PASA ADMENDMENTS)	264,092

9. STAFFING

NAME AND TITLE	GRADE	PERIOD (PEOPLE-DAYS/MONTHS)	AMOUNT
Senior Agricultural Economist Robertson	FC-11/5	12	$23,287
Junior Agricultural Economist Smith	FC-9/3	12	15,340
Senior Consultant	GS-15/4	2	7,840
Special Consultant	GS-15/4	2	7,840
Agricultural Training Spec. Conkle	FC-12/8	12	21,845
Statistician, Williams	FC-10/4	12	17,482
Irrigation Engineer, Embry	FC-11/9	12	24,108
Soil Conservation Specialist Arledge	FC-10/1	12	17,763
Rd. to $264,100			

EXPLANATORY COMMENTS

1/ International Travel includes per diem.
2/ Transportation of Technical equipment.
3/ Domestic Travel and per diem.
4/ Cost of security clearances.

PD-AAF-239 5200233 (4)

1p.

Department of State TELEGRAM

0233
0234

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ACTION AID-31

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TO SECSTATE WASHDC 4848

UNCLAS GUATEMALA 0985

AIDAC

FOR: SER/FM

E.O. 11652: N/ A
SUBJECT: PROJECT NUMBERS

REF: A) FY 1977 PROJECT FINANCIAL IMPLEMENTATION PLAN,
B) GUATEMALA 0015, FY 1978 CONGRESSIONAL PRESENTATION EXPENDITURE ESTIMATES

1. UNDER REF (A) AND (B) WE ASSIGNED SEPARATE PROJECT NUMBERS TO THE GRANT (0233) AND LOAN (0234) ELEMENTS OF THE SMALL FARMER DEVELOPMENT PROJECT. WE ARE NOW QUESTIONING WHETHER A PROJECT WITH BOTH LOAN AND GRANT ELEMENTS FUNDED IN THE SAME FISCAL YEAR SUCH AS THE SMALL FARMER DEVELOPMENT PROJECT, REQUIRES SEPARATE NUMBERS OR JUST ONE NUMBER FOR THE ENTIRE PROJECT.

2. PLEASE ADVISE AND IF ONE NUMBER IS RECOMMENDED ASSIGN NO. 0233 TO BOTH ELEMENTS OF THE SMALL FARMER DEVLOPMENT PROJECT AND CHANGE THE PROJECT FINANCIAL IMPLEMENTATION PLAN AND THE REF CABLE ACCORDINGLY.

3. IF ONLY ONE NUMBER IS USED WE ASSUME YOU WOULD STILL REQUIRE SEPARATE LINES FOR REPORTING LOAN AND GRANT EXPENDITURES ON THE PFIP AND THE PFAR.
BOSTER

RECORD COPY