2770000 (2)
PD-AAF-335-B1

AID 1020-25 (7-68)

PROJECT APPRAISAL REPORT (PAR)
(U-446) See M.O. 1026.1

SECURITY CLASSIFICATION: UNCLASSIFIED

001 PROJECT NUMBER: 277-15-999-000

A.I.D. Reference Center
~~Room 1656 NS~~

002 PAR AS OF: MO. 06 DAY 30 YR. 70

003 U.S. OBLIGATION SPAN: FY 66 Thru FY 71

004 PROJECT TITLE: Commercial Accounting Improvement in State Economic Enterprise

17p

005 COOPERATING COUNTRY - REGION - AID/W OFFICE: TURKEY - NESA

006 FUNDING TABLE

AID DOLLAR FINANCING-OBLIGATIONS ($000)	TOTAL	CONTRACT (NON-ADD)	PERSONNEL SERVICES AID	PERSONNEL SERVICES PASA	PERSONNEL SERVICES CONTRACT	PARTICIPANTS DIR. PASA	PARTICIPANTS CONTRACT	COMMODITIES DIR. PASA	COMMODITIES CONTRACT	OTHER COSTS DIR. PASA	OTHER COSTS CONTRACT
CUMULATIVE NET THRU ACTUAL YEAR (FY 19 70)	85				85						
PROPOSED OPERATIONAL YEAR (FY 19 71)	25				25						

CCC VALUE OF P.L. 480 COMMODITIES ($000) → Thru Actual Year : Operational Year Program :

007 IMPLEMENTING AGENCY TABLE

If contractors or participating agencies are employed, enter the name and contract or PASA number of each in appropriate spaces below; in the case of voluntary agencies, enter name and registration number from M.O. 1551.1, Attachment A. Enter the appropriate descriptive code in columns b and c, using the coding guide provided below.

TYPE CODE b	TYPE CODE c	a. IMPLEMENTING AGENCY	TYPE CODE b.	TYPE CODE c.	d. CONTRACT/PASA/VOLAG NO.	e. LEAVE BLANK FOR AID/W USE
1. U.S. CONTRACTOR 2. LOCAL CONTRACTOR 3. THIRD COUNTRY CONTRACTOR 4. PARTICIPATING AGENCY 5. VOLUNTARY AGENCY 6. OTHER:	0. PARTICIPATING AGENCY 1. UNIVERSITY 2. NON-PROFIT INSTITUTION 3. ARCHITECTURAL & ENGINEERING 4. CONSTRUCTION 5. OTHER COMMERCIAL 6. INDIVIDUAL 7. OTHER:	1. MAX T. SCHMID			Personal Serv. Contract	
		2.				
		3.				

PART I – PROJECT IMPACT

I-A. GENERAL NARRATIVE STATEMENT ON PROJECT EFFECTIVENESS, SIGNIFICANCE & EFFICIENCY.

This summary narrative should begin with a brief (one or two paragraph) statement of the principal events in the history of the project since the last PAR. Following this should come a concise narrative statement which evaluates the overall efficiency, effectiveness and significance of the project from the standpoint of:

(1) overall performance and effectiveness of project implementation in achieving stated project targets;

(2) the contribution to achievement of sector and goal plans;

(3) anticipated results compared to costs, i.e., efficiency in resource utilization;

(4) the continued relevance, importance and significance of the project to country development and/or the furtherance of U.S. objectives.

Include in the above outline, as necessary and appropriate, significant remedial actions undertaken or planned. The narrative can best be done after the rest of PART I is completed. It should integrate the partial analyses in I-B and I-C into an overall balanced appraisal of the project's impact. The narrative can refer to other sections of the PAR which are pertinent. If the evaluation in the previous PAR has not significantly changed, or if the project is too new to have achieved significant results, this Part should so state.

008 NARRATIVE FOR PART I-A (Continue on form AID 1020-25 I as necessary):

A. Summary Statement of Evaluation

(See next page)

MISSION DIRECTOR APPROVAL → SIGNATURE: James S. Killen DATE:

PRINTED 9-68

UNCLASSIFIED
SECURITY CLASSIFICATION

21

008 NARRATIVE FOR PART 1-A

A. Summary Statement of Evaluation

A Uniform Accounting Plan applicable to all State Economic Enterprises has been prepared, initial opppsition to its implementation overcome, and agreement reached on an implementation schedule beginning, on a pilot basis, with the sugar industry. Since implementation has not progressed beyond this point its actual impact to date is negligible. When substantially implemented it will provide the SEEs, and such private businesses as choose to use it, with a tool indispensable for efficient management. No management tool can, however, assure efficient management and profitable operation in and of itself. If SEEs are to operate more profitably they must be effectively subjected to market forces and freed from ad hoc bureaucratic decision making affecting such significant areas as prices and salaries.

B. Principal Events in the History of Project

The Turkish Government, in March 1964, passed Law 440 governing State Economic Enterprises (SEEs). Pursuant to this event a commission was established to reorganize the SEEs and make other changes required by this Law. This reorganization commission also dealt with the improvement of the financial structures of the Enterprises and with the improvement and unification of their accounting system. The Government of Turkey requested assistance in this undertaking and AID provided the services of a single consultant first as a member of the Mead-Carney consulting group and since 1966 under a personal service contract.

Under the consultant's guidance a Uniform Accounting Plan (UAP) was established comprising a set of basic accounting concepts, accounting principles, a modern Security and Exchange Commission (SEC) type reporting system, a uniform code of accounts and a prototype organization structure for the finance and accounting divisions of the SEEs.

After the termination of the reorganization commission, the State Planning Organization undertook to complete this work and to apply the plan to the SEEs. The UAP was published in both Turkish and English language (the English edition with the assistance of AID). A pilot type installation was made in the fertilizer industry (Azot Sanayi) and the plan was discussed in special briefing sessions with the larger SEEs and the High Control Board (Technical and Financial Auditing Organization of the SEEs). The plan was also presented in a five day seminar open to all members of the SEEs and Turkish private sector accountants.

The objective of the present activity is to introduce the UAP systematically in all SEEs. The significant effect of this objective is:

1. To improve the profitability of SEEs through modernization of financial management, reporting, accounting, cost and budgeting practice;

2. To provide financial comparability and a basis for consolidation of all SEE statements through establishment of uniform accounting practices, systems and codes;

008 NARRATIVE FOR PART 1-A (cont'd)

B. 3. To provide a uniform accounting plan applicable to both the private and the public sectors for improved utilization of invested capital, improved cost control and increased ability to compete on world markets. In this manner to coordinate Turkish practices with the best practices of the western world and to lay the accounting and financial reporting foundations for the establishment of a capital market.

4. To improve the accounting and financial management skills of a significant segment of the management personnel of the SEEs, through on-the-job training, special courses and seminars, and an extended participant training program.

A major obstacle to an early implementation of the UAP was the refusal of the High Control Board (HCB) to actively participate in the establishment of this plan during the life of the Reorganization Commission (1964-1968) although one of their staff members participated in the work of the Commission.

After the completion of the pilot installation at Azot, which demonstrated the validity of the UAP, the SPO group began to solicit the active participation of the HCB in the broader UAP implementation program. A brief session was arranged with some of its members. They also participated actively in the comprehensive seminar discussions, although mainly in a critical way.

To neutralize the importance of the HCB influence and eventually to turn it into an active corporation, the consultant advised broadening the base of the implementation force into a joint effort with SPO, Ministry of Finance, Ministry of Industry, Ministry of Commerce and the High Control Board including a few experts from some SEEs, notably the State Investment Bank. The Ministry of Finance previously had already assembled a group of five of its accounting experts to start implementation on their own initiatives. They support this joint venture actively and enthusiastically. The High Control Board has participated in the initial meetings. Because of the nature of the joint effort the effectiveness of possible HCB opposition is neutralized and implementation work can proceed irrespective of the nature of its future participation.

The group carrying out the present implementation program is structured into a consulting committee and an implementation group. The consulting committee consists of members from the participating ministries, SPO, High Control Board, State Investment Bank and some selected SEEs. Its functions are consultative and promotional. The implementation group consists of the SPO implementation personnel, several members from the Ministry of Finance, and four experts from SEEs. Its functions are to select the enterprises and actually carry out the implementation.

The present program calls for a preliminary or test implementation at the Sugar Industry to be completed by October 1970. This installation is to serve as a second test of the validity of the UAP and the consulting committee will have an opportunity to make changes in the plan should they be judged advisable. After this event preliminary installations are planned at the Cement Industry, the Toprak Mahsulleri Ofisi and perhaps at the Türk Petrol Sanayii. In this manner four or five major SEEs (including Azot Sanayii) will start applying the UAP as of January 1, 1971. Subsequently the plan will be applied generally by industry groups to all major SEEs.

008 - NARRATIVE FOR PART 1-A (Contd)

Training courses for three levels of management will be provided:

(1) Top management - chief executives
(2) Middle management - comptrollers, chief accountants, etc.
(3) Lower level management - bookkeepers

Top level management training will take the form of conference meetings. Its objective is to teach the managerial use of financial information for profit planning and control (budget standards), cost analysis, capital investment planning, budgeting, product profitability studies, etc. Prominent experts, academicians and successful business leaders will participate as trainers.

Middle management training will be in the form of seminars, lectures and discussions in the theory, practice and application of the uniform accounting plan and its potential use to serve management. This will be done by the experts of the SPO group and members from its advisory board.

Training for lower level management will be on-the-job training during the implementation of the plan in typical enterprises (industry groups). This is to be done by the experts assisting in the installation together with personnel from the enterprises.

A U. S. participant training program for SEE accounting personnel is proposed for the implementation period, (to consist of a concentrated one year academic program in modern accounting methods). Promising accounting personnel selected from SEE's industry group will be the primary candidates for this program.

A series of articles dealing with topical accounting subjects and problems encountered during the implementation of the Uniform Accounting Plan in the various enterprises is planned. Texts on costing, budgeting and financial management may open the series. This will be used as a public discussion forum for accounting and financial management of SEEs. The consultant will be an active initial contributor.

008 - NARRATIVE FOR PART 1-A-1 - Overall Performance and Effectiveness of Project Implementation in achieving stated project targets

A uniform commercial accounting plan applicable both to the SEEs and the private sector has been developed. With the support of the SPO, Ministry of Finance, and the Ministry of Industry and Commerce it is being implemented in the first of a series of SEEs. The degree of effectiveness can be judged only after a number of SEEs have converted their accounting operations to the new UAP basis. Converting a large segment of Turkish industry to a modernized accounting system is an extensive undertaking requiring patient and persistent application.

This sheet is to be used for any Narrative Sections for which sufficient space has not been provided on the form. Identify each narrative by its Part and Section Designation.

008 - NARRATIVE FOR PART 1-A-2 - The Contribution to Achievement of Sector and Goal Plans

Improvement in SEE profitability would reduce the need to subsidize their operations out of the national budget. Better financial reporting, made possible through the UAL, will provide a basis for sounder management decisions and increased profitability. The extent such will actually be realized will become measurable only after the UAL has been implemented in some of the larger SEEs.

Private industry has shown considerable interest in the UAP and the association of expert accountants has accepted it as a valid basic text of accounting principles and practices. Its general adoption should help improve the investment climate in Turkey.

008 - NARRATIVE FOR PART 1-A-3 - Anticipated Results Compared to Costs, ie. Efficiency in Resource Utilization

The pressure from many quarters for uniform, improved accounting practices in SEEs and in the private economy is so extensive that there is a high degree of probability that the UAP will eventually find general acceptance throughout Turkey.

AID 1020-25 A (7-68)

SECURITY CLASSIFICATION: UNCLASSIFIED

PROJECT NUMBER: 277-15-999-000

009

PART I-B – PROJECT EFFECTIVENESS

I-B-1 – OUTPUT REPORT AND FORECAST – (See detailed instructions)

1. CODE NO. AID/W USE ONLY	2. This section is designed to record progress toward the achievement of each project output target which was scheduled in the PIP, Part II. Where progress toward a target is significantly greater or less than scheduled, describe reason(s) beneath the target.	ACTUAL AND PLANNED OUTPUTS (ALL DATA CUMULATIVE)				
		3. 6/30/70 ACTUAL CUM. TO DATE	4. AS OF PRIOR JUNE 30, 1969 a. PLANNED	b. ACTUAL	5. PLANNED BY NEXT JUNE 30 1971	6. PROJECTED TOTAL FOR PROJECT LIFE 197[illegible]
	1. Report on Pilot Study - Azot Sanayii(fertilizer industry)	100%	100	100	100	100
	2. Transmittal and evaluation of questionnaires on Uniform Accounting Plan.	100	80	80	100	100
	3. SEE financial manager briefing sessions.	100	0	0	100	100
	4. Evaluation of briefing sessions.	100	0	0	100	100
	5. Seminar for SEE representatives and interested persons.	100	0	0	100	100
	6. Evaluation of seminar meeting and finalization of text of the uniform accounting plan.	70	0	0	100	100
	7a. Training courses for top level SEE financial accounting managers.	25	0	0	45	100
	7b. Training courses for SEE plant accountants.	20	10	5	35	100
	8. Standard forms and records for new accounting system.	10	0	0	40	100
	9. Training courses for SEE bookkeepers	20	15	15	35	100
	10. Installation of Uniform Accounting Plan					
	1. Process type industry group (chemical, refinery, mineral extraction and mining)	20	15	15	60	100
	2. Textiles (Wool, cotton, silk, fibre)	0	0	0	0	100
	3. Other groups	0	0	0	20	100
	11. Preparation of budget manual.	10	0	0	75	100
	12. Training courses in operation of budget system.	0	0	0	50	100
	13. U. S. Participant Training Program	0	0	0	20	80
	14. Financial management programs for enterprise managers.	0	0	0	30	100

AID 1020-25 E (7-68)

SECURITY CLASSIFICATION: UNCLASSIFIED

PROJECT NUMBER: 277-15-999-000

PART I-B – Continued

010 B.2 – OVERALL ACHIEVEMENT OF PROJECT TARGETS

Place an "X" within the bracket on the following seven-point scale that represents your judgment of the overall progress towards project targets:

Unsatisfactory			X					Outstanding
			← Satisfactory →					

PART I-C – PROJECT SIGNIFICANCE

011 C.1 – RELATION TO SECTOR AND PROGRAM GOALS (See detailed instructions M.O. 1026.1)

This section is designed to indicate the potential and actual impact of the project on relevant sector and program goals. List the goals in col. b and rate potential and actual project impact in cols. c and d.

SCALE FOR COLUMN c: 3= Very Important; 2= Important; 1= Secondary Importance

SCALE FOR COLUMN d: 3= Superior/Outstanding; 2= Adequate/Satisfactory/Good; 1= Unsatisfactory/Marginal

a. CODE NO. (AID/W USE ONLY)	b. SECTOR AND PROGRAM GOALS (LIST ONLY THOSE ON WHICH THE PROJECT HAS A SIGNIFICANT EFFECT)	c. POTENTIAL IMPACT ON EACH GOAL IF PROJECT ACHIEVES TARGETS	d. ACTUAL IMPACT ON GOAL TO DATE RELATIVE TO PROGRESS EXPECTED AT THIS STAGE
	(1) To enable SEE managerial personnel to exert normal type financial, economic and managerial controls through improved budgeting, accounting and financial reporting.	2	1
	(2)		
	(3)		
	(4)		

For goals where column c. is rated 3 or 2 and column d. is rated 1, explain in the space for narrative. The narrative should also indicate the extent to which the potential impacts rated 3 or 2 in column c. are dependent on factors external to the achievement of the project targets, i.e., is there a substantial risk of the anticipated impact being forestalled by factors not involved in the achievement of project targets. If possible and relevant, it also would be useful to mention in the narrative your reading of any current indicators that longer-term purposes, beyond scheduled project targets, are likely or unlikely to be achieved. Each explanatory note must be identified by the number of the entry (col. b) to which it pertains.

012 NARRATIVE FOR PART I-C.1 (Continue on form AID 1020-25 I):

Adequate budgetary, accounting and financial reporting are prerequisites for efficient management and are needed by the SEEs. However, these and other management tools cannot, in and of themselves, make possible the efficient operation of the SEEs. Other changes, beyond the authority of SEE management to effect, including revisions of pricing and wage policies, are required to accomplish this purpose.

The project objective indirectly affects several mission program and sector goals in addition to the above. However, since the UAP has so far been implemented only on a pilot basis, it has as yet had no significant impact on these goals.

PART I-C – Continued

C.2 – GENERAL QUESTIONS

These questions concern developments since the prior PAR. For each question place "Y" for Yes, "N" for No, or "NA" for Not Applicable in the right hand column. For each question where "Y" is entered, explain briefly in the space below the table.	MARK IN THIS COL.
013 Have there been any significant, unusual or unanticipated results not covered so far in this PAR?	Yes
014 Have means, conditions or activities other than project measures had a substantial effect on project output or accomplishments?	No
015 Have any problems arisen as the result of advice or action or major contributions to the project by another donor?	No
016 If the answer to 014 or 015 is yes, or for any other reason, is the project now less necessary, unnecessary or subject to modification or earlier termination?	No
017 Have any important lessons, positive or negative, emerged which might have broad applicability?	No
018 Has this project revealed any requirement for research or new technical aids on which AID/W should take the initiative?	N
019 Do any aspects of the project lend themselves to publicity in newspapers, magazines, television or films in the United States?	No
020 Has there been a lack of effective cooperating country media coverage? (Make sure AID/W has copies of existing coverage.)	No

021 NARRATIVE FOR PART I-C.2 Identify each explanatory note by the number of the entry to which it pertains. (Continue on form AID 1020-25 I as necessary):

013 - GENERAL QUESTIONS

The unusual interest of the Ministry of Finance and its energetic support of the implementation program developed by the SPO group has an important favorable significance for the project which was not anticipated. It will have an effect on the accounting personnel of the SEEs and their cooperation in the implementation process.

AID 1020-25 D (7-68)

SECURITY CLASSIFICATION	PROJECT NUMBER
UNCLASSIFIED	277-15-999-000

PART II - IMPLEMENTATION REPORT

II-A - STATUS OF SCHEDULE

022 A-1 - INDIVIDUAL ACTIONS (See detailed instructions M.O. 1026.1). This is a listing of major actions or steps which were scheduled for physical start or continuing implementation in the reporting period as reflected in the Project Implementation Plan, Part I.

(a)

PIP ITEM NO.	MAJOR ACTIONS OR STEPS; CAUSES AND RESULTS OF DELAYS; REMEDIAL STEPS	(b) STATUS - PLACE AN "X" IN ONE COLUMN (1) BEHIND SCHEDULE	(2) ON SCHEDULE	(3) AHEAD OF SCHEDULE
1	Completion of Pilot Study at a nitrogen fertilizer company and publication of report.		Completed	
2	Study and evaluation of questionnaires sent together with the Uniform Accounting principles, reports and code texts approved by the Reorganization Commission under Law 440.		X	
3	Short briefing sessions with financial managers of SEEs on the Uniform Accounting System-approximately five meetings covering mining, sugar, paper, textile and metal manufacturing groups. Each meeting will have 10 to 20 participants. (Schedule was changed from June to August).		X	
4	Evaluation of briefing sessions (Schedule was changed from July to August).		X	
5	Preparation of material for seminar of approximately one week's duration to present the new account plan to the SEEs representatives from ministries, educational institutions, high control board, private enterprises and chambers of commerce and industry-approximately 160 participants.		X	
6	Evaluation of seminar and finalization of text of the uniform account principles and system.		X	
7a	One week training course for top level SEE financial and accounting managers. Approximately 35 participants. 1/	X		
7b	Training courses for SEE plant accountants to discuss and explain the uniform accounting system, at the establishment and plant accountants level. This will include representatives from approximately 50 establishments or an estimated total of 100 accountants. Two one-week courses each with about 50 participants.	X		
8	Preparation of standard forms and records to be used in connection with the new accounting plan-continuous action.		X	

AID 1020-20 D (7-68)

SECURITY CLASSIFICATION: UNCLASSIFIED

PROJECT NUMBER: 277-15-999-000

PART II – IMPLEMENTATION REPORT

II-A – STATUS OF SCHEDULE

022 A-1 – INDIVIDUAL ACTIONS (See detailed instructions M.O. 1026.1). This is a listing of major actions or steps which were scheduled for physical start or continuing implementation in the reporting period as reflected in the Project Implementation Plan, Part I.

(a) PIP ITEM NO.	MAJOR ACTIONS OR STEPS; CAUSES AND RESULTS OF DELAYS; REMEDIAL STEPS	(b) STATUS – PLACE AN "X" IN ONE COLUMN (1) BEHIND SCHEDULE	(2) ON SCHEDULE	(3) AHEAD OF SCHEDULE
9	Training courses for SEEs bookkeepers in the understanding and installation of the uniform accounting system. This is to cover bookkeepers from about 50 SEE establishments. A total of approximately 150 participants will be trained in three one-week courses. 1/		X	
10	Installation of Uniform Accounting System in all SEEs. This will be done by industry groups and assistance and training will be provided on an industry basis. Cost system manuals by industry groups will be provided at the same time. A total of about 29 enterprises will be included. Many of these are conglomerates including establishments from different industry groups. The largest ones include Sumerbank, Etibank, and Makina va Kimya. About eight groups are involved. It is anticipated that implementation will be completed in the sugar industry group and possibly also in the cement and refining industry groups in FY 71. 1/		X	
11	Preparation of budgetary and profitability control systems in SEEs in which process costing codes have been introduced.	X		
12	Two + four day training courses in installing and operating budget systems as an aid in profit improvement. Approximately 100 participants in two groups of 50 each. 1/	X		
13	Development of a U. S. participant training program for SEE accounting personnel. (This is a concentrated one year academic program in modern accounting methods by industry groups). Min. of five, max. of 10 per year.	X		
14	Development of a financial management short-term training program for enterprise managers, approximately 40 participants. This should be developed by May 1970. Major training will take place in Turkey with siphoning off 10 to 20% of the top personnel for specialized training in management in the U. S. 1/	X		

1/ These items were rescheduled due to changes in the overall program. The training courses for top level SEE financial and accounting managers and SEE plant accountants will not start until the test implementation at the sugar industry has been completed. These will be arranged by industry groups.

SECURITY CLASSIFICATION: UNCLASSIFIED

PROJECT NUMBER: 277-15-999-000

PART II – Continued

023

II-A.2 – OVERALL TIMELINESS

In general, project implementation is (place an "X" in one block):

(a) On schedule	
(b) Ahead of schedule	X
(c) Behind schedule	
(1) AID/W Program Approval	
(2) Implementing Agency (Contractor/Participating Agency/Voluntary Agency)	
(3) Technicians	
(4) Participants	
(5) Commodities (non-FFF)	
(6) Cooperating Country	
(7) Commodities (FFF)	
(8) Other (specify):	

BLOCK (c): If marked, place an "X" in any of the blocks one thru eight that apply. This is limited to key aspects of implementation, e.g., timely delivery of commodities, return of participants to assume their project responsibilities, cooperating country funding, arrival of technicians.

II-B – RESOURCE INPUTS

This section appraises the effectiveness of U.S. resource inputs. There follow illustrative lists of factors, grouped under Implementing Agency, Participant Training and Commodities, that might influence the effectiveness of each of these types of project resources. In the blocks after only those factors which significantly affect project accomplishments, write the letter P if effect is positive or satisfactory, or the letter N if effect is negative or less than satisfactory.

1. FACTORS-IMPLEMENTING AGENCY (Contract/Participating Agency/Voluntary Agency)

024 IF NO IMPLEMENTING AGENCY IN THIS PROJECT, PLACE AN "X" IN THIS BLOCK:		032 Quality, comprehensiveness and candor of required reports	P
025 Adequacy of technical knowledge	P	033 Promptness of required reports	N
026 Understanding of project purposes	P	034 Adherence to work schedule	P
027 Project planning and management	P	035 Working relations with Americans	P
028 Ability to adapt technical knowledge to local situation	P	036 Working relations with cooperating country nationals	P
029 Effective use of participant training element	N	037 Adaptation to local working and living environment	P
030 Ability to train and utilize local staff	P	038 Home office backstopping and substantive interest	
031 Adherence to AID administrative and other requirements		039 Timely recruiting of qualified technicians	
		040 Other (describe):	P

2. FACTORS-PARTICIPANT TRAINING

041 IF NO PARTICIPANT ELEMENT IN PROJECT, PLACE AN "X" IN THIS BLOCK:		TRAINING UTILIZATION AND FOLLOW UP 052 Appropriateness of original selection	
PREDEPARTURE 042 English language ability		053 Relevance of training for present project purposes	
043 Availability of host country funding		054 Appropriateness of post-training placement	
044 Host country operational considerations (e.g., selection procedures)		055 Utility of training regardless of changes in project	
045 Technical/professional qualifications		056 Ability to get meritorious ideas accepted by supervisors	
046 Quality of technical orientation		057 Adequacy of performance	
047 Quality of general orientation		058 Continuance on project	
048 Participants' collaboration in planning content of program		059 Availability of necessary facilities and equipment	
049 Collaboration by participants' supervisors in planning training		060 Mission or contractor follow-up activity	
050 Participants' availability for training		061 Other (describe):	
051 Other (describe):			

029 First participants will be selected in FY 70

033 While it has not adversely affected project accomplishment, the contractor has in the past frequently been late in submitting his monthly reports.

SECURITY CLASSIFICATION	PROJECT NUMBER
UNCLASSIFIED	277-15-999-000

PART II-B – Continued

3. FACTORS-COMMODITIES

PLACE AN "X" IN APPROPRIATE BLOCK:	062 FFF		063 NON-FFF		064 NO COMMODITY ELEMENT	X

065 Timeliness of AID/W program approval (i.e., PIO/C, Transfer Authorization).		072 Control measures against damage and deterioration in shipment.	
066 Quality of commodities, adherence to specifications, marking.		073 Control measures against deterioration in storage.	
067 Timeliness in procurement or reconditioning.		074 Readiness and availability of facilities.	
068 Timeliness of shipment to port of entry.		075 Appropriateness of use of commodities.	
069 Adequacy of port and inland storage facilities.		076 Maintenance and spares support.	
070 Timeliness of shipment from port to site.		077 Adequacy of property records, accounting and controls.	
071 Control measures against loss and theft.		078 Other (Describe):	

Indicate in a concise narrative statement (under the heading a. Overall Implementation Performance, below) your summary appraisal of the status of project implementation, covering both significant achievements and problem areas. This should include any comments about the adequacy of provision of direct hire technicians as well as an overall appraisal of the comments provided under the three headings (b, c & d) which follow. For projects which include a dollar input for generation of local currency to meet local cost requirements, indicate the status of that input (see Detailed Instructions).

Discuss separately (under separate headings b, c & d) the status of Implementing Agency Actions, Participants and Commodities. Where above listed factors are causing significant problems (marked N), describe briefly in the appropriate narrative section: (1) the cause and source of the problem, (2) the consequences of not correcting it, and (3) what corrective action has been taken, called for, or planned by the Mission. Identify each factor discussed by its number.

079 NARRATIVE FOR PART II-B: (After narrative section a. Overall Implementation Performance, below, follow, on form AID 1020-25 I as needed, with the following narrative section headings: b. Implementing Agency, c. Participants, d. Commodities. List all narrative section headings in order. For any headings which are not applicable, mark them as such and follow immediately below with the next narrative section heading.)

a. Overall Implementation Performance.

Results achieved have been good but progress has been somewhat slow and, to date, limited. The Uniform Accounting Plan was completed and printed in March 1968. A pilot installation made in the nitrogen fertilizer industry in 1969 proved quite successful. A test installation is now being made in the sugar industry. Upon the latter's successful completion, the Uniform Accounting Plan will be progressively implemented in the remaining six industry groups constituting the SEEs. It is anticipated that, in addition to the sugar industry, installation of the UAP will also be completed in the cement and refining industries in FY 1971.

Implementation had been impeded due to the failure of the concerned GOT Agency, the High Control Board, to give the UAP its active support. This passive opposition has since been effectively neutralized by the active support given to it by the Ministry of Finance and the State Planning Organization.

The conduct of the seminars and the training of SEE accounting personnel are somewhat behind schedule. Preparation of standard forms and records for use with the UAP and of budgetary and profitability control systems for SEEs in which process costing codes have been introduced are, on the other hand, on schedule.

(Continued page 7a)

079 NARRATIVE FOR PART II-B:

b. Implementing Agency

A single technician is employed under a personal services contract. He is thoroughly conversant with both American and Turkish accounting practices and effective in his relationships with GOT personnel.

c. Participants

It is anticipated that the first participants will begin training in FY 1971.

d. Commodities

Other than for a very limited amount of contract funds made available to the Contractor for the purchase of publications required for training purposes, there is no commodity element.

AID 1020-25 G (7-68)

SECURITY CLASSIFICATION	PROJECT NUMBER
UNCLASSIFIED	277-15-999-000

PART III – ROLE OF THE COOPERATING COUNTRY

The following list of illustrative items are to be considered by the evaluator. In the block after only those items which significantly affect project effectiveness, write the letter P if the effect of the item is positive or satisfactory, or the letter N if the effect of the item is negative or less than satisfactory.

SPECIFIC OPERATIONAL FACTORS:		
080 Coordination and cooperation within and between ministries.		P
081 Coordination and cooperation of LDC gov't. with public and private institutions and private enterprise.		P
082 Availability of reliable data for project planning, control and evaluation.		P
083 Competence and/or continuity in executive leadership of project.		N
084 Host country project funding.		P
085 Legislative changes relevant to project purposes.	NA	
086 Existence and adequacy of a project-related LDC organization.		P
087 Resolution of procedural and bureaucratic problems.		P
088 Availability of LDC physical resource inputs and/or supporting services and facilities.		P
089 Maintenance of facilities and equipment.		P
090 Resolution of tribal, class or caste problems.	NA	
091 Receptivity to change and innovation.		P
092 Political conditions specific to project.		P
093 Capacity to transform ideas into actions, i.e., ability to implement project plans.		P
094 Intent and/or capacity to sustain and expand the impact of the project after U.S. inputs are terminated.		P
095 Extent of LDC efforts to widen the dissemination of project benefits and services.		P
096 Utilization of trained manpower (e.g., participants, counterpart technicians) in project operations.		P
097 Enforcement of relevant procedures (e.g., newly established tax collection and audit system).		P
098 Other:		
HOST COUNTRY COUNTERPART TECHNICIAN FACTORS:		
099 Level of technical education and/or technical experience.		P
100 Planning and management skills.		N
101 Amount of technician man years available.		P
102 Continuity of staff.		N
103 Willingness to work in rural areas.	NA	
104 Pay and allowances.		P
105 Other:		

In the space below for narrative provide a succinct discussion and overall appraisal of the quality of country performance related to this project, particularly over the past year. Consider important trends and prospects. See Detailed Instructions for an illustrative list of considerations to be covered.

For only those items marked N include brief statements covering the nature of the problem, its impact on the achievement of project targets (i.e., its importance) and the nature and cost of corrective action taken or planned. Identify each explanatory note.

106 NARRATIVE FOR PART III (Continue on form AID 1020-25 I):

083 - The executive leadership of the activity has been, since May 1968, in the hands of the SPO-Coordination Department. A section was created within the Department at that time to continue the work of practical implementation of the recommendations made by the Commission for Reorganization of SEEs, which has ceased to exist. The section, as well as the subgroup of the section devoted to introduction of the UAP in the SEEs, has undergone changes in personnel. The continuity of the effort was in a large measure guided and effected by the consultant. However, with the structure and staffing of the new implementation group (described under 008 - narrative for Part I-A) this weakness gradually should be eliminated and a group emerge that will be capable through their own efforts and initiative of implementing the UAp.

PART III - 100 - The planning and management skills needed to apply the UAP in SEEs are being developed through the implementation work in progress. At present they are not at the required level of self-sufficiency. However, the efforts of the contractor are directed to raise the capabilities of the team to that level.

102 - As mentioned under 083, the continuity of staff has been a problem because real accounting experts open to the new methods and practices are hard to find in Turkey - they normally have excellent jobs in private industry or some large SEEs. With successful completion of some UAP installations additional qualified personnel will be available. It is also planned to meet this need through participant training of a limited number of key personnel.

AID 1020-25 H (7-68)

SECURITY CLASSIFICATION	PROJECT NUMBER
UNCLASSIFIED	306-22-120-102

PART IV – PROGRAMMING IMPLICATIONS

IV-A – EFFECT ON PURPOSE AND DESIGN

Indicate in a brief narrative whether the Mission experience to date with this project and/or changing country circumstances call for some adjustment in project purposes or design, and why, and the approximate cost implications. Cover any of the following considerations or others that may be relevant. (See Detailed Instructions for additional illustrative considerations.) Relevant experience or country situations that were described earlier can simply be referenced. The spelling out of specific changes should be left to the appropriate programming documents, but a brief indication of the type of change contemplated should be given here to clarify the need for change. For example, changes might be indicated if they would:

1. better achieve program/project purposes;
2. address more critical or higher priority purposes within a goal plan;
3. produce desired results at less cost;
4. give more assurance of lasting institutional development upon U.S. withdrawal.

107 NARRATIVE FOR PART IV-A (Continue on form AID 1020-25 I):

The purpose and design of the project are suitable. Development of the Shamalan area would make a major contribution to the economic advancement of the NAV area and offer a stimulus for further advance in the country.

IV-B – PROPOSED ACTION

108 This project should be (Place an "X" in appropriate block(s)):

1. Continued as presently scheduled in PIP.	
2. Continued with minor changes in the PIP, made at Mission level (not requiring submission of an amended PIP to AID/W).	
3. Continued with significant changes in the PIP (but not sufficient to require a revised PROP). A formally revised PIP will follow.	X
4. Extended beyond its present schedule to (Date): Mo.____ Day____ Yr.____. Explain in narrative, PROP will follow.	
5. Substantively revised. PROP will follow.	
6. Evaluated in depth to determine its effectiveness, future scope, and duration.	
7. Discontinued earlier than presently scheduled. Date recommended for termination: Mo.____ Day____ Yr.____	
8. Other. Explain in narrative.	

109 NARRATIVE FOR PART IV-B:

The PIP is being revised to reflect past delays and establish realistic target dates. The Mission and the RGA have placed increased effort and priority on this project