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UNCLASSIFIED

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DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
Washington, D.C. 20523

GUYANA
PROJECT PAPER
AGRICULTURE SECTOR PLANNING

AID/LAC/P-039

Loan Number: 544-T-017
Project Number: 504-0077

UNCLASSIFIED

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT PAPER FACESHEET	1. TRANSACTION CODE <input type="checkbox"/> A ADD <input checked="" type="checkbox"/> C CHANGE <input type="checkbox"/> D DELETE	PP 2. DOCUMENT CODE 3
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3. COUNTRY/ENTITY GUYANA		4. DOCUMENT REVISION NUMBER <input type="checkbox"/>	
5. PROJECT NUMBER (7 digits) <input type="text" value="504-0077"/>	6. BUREAU OFFICE A. SYMBOL LAC B. CODE <input type="text" value="5"/>	7. PROJECT TITLE (Maximum 40 characters) <input type="text" value="AGRICULTURE SECTOR PLANNING"/>	
8. ESTIMATED FY OF PROJECT COMPLETION FY <input type="text" value="8"/> <input type="text" value="4"/>		9. ESTIMATED DATE OF OBLIGATION A. INITIAL FY <input type="text" value="810"/> B. QUARTER <input type="text" value="2"/> C. FINAL FY <input type="text" value="814"/> (Enter 1, 2, 3 or 4)	

A. FUNDING SOURCE	FIRST FY			LIFE OF PROJECT		
	B. FX	C.	D. TOTAL	E. FX	F. C	G. TOTAL
AID APPROPRIATED TOTAL	1,400	-	1,400	2,898	-	2,898
GRANT	400	-	400	1,898	-	1,898
LOAN	1,000	-	1,000	1,000	-	1,000
OTHER U.S. 1, 2						
HOST COUNTRY		472	472	-	4,262.7	4,262.7
OTHER DONOR(S)						
TOTALS	1,400	472	1,872	2,898	4,262.7	7,160.7

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE		1ST FY <u>80</u>		2ND FY <u>81</u>		3RD FY <u>82</u>	
		C. GRANT	D. LOAN	E. GRANT	G. LOAN	H. GRANT	I. LOAN	J. GRANT	K. LOAN
		(1) FN	180	053	053	400	1,000	568	-
(2)		052	052						
(3)									
(4)									
TOTALS				400	1,000	568	-	430	-

A. APPROPRIATION	4TH FY <u>83</u>		5TH FY <u>84</u>		LIFE OF PROJECT		12. IN DEPTH EVALUATION SCHEDULED
	H. GRANT	I. LOAN	J. GRANT	K. LOAN	L. GRANT	M. LOAN	
(1)	300	-	200	-	1,898	1,000	
(2)							
(3)							
(4)							
TOTALS	300	-	200	-	1,898	1,000	

13. DATA CHANGE INDICATOR. WERE CHANGES MADE IN THE PID FACESHEET DATA BLOCKS 10, 13, 14, OR 15 OR IN P&P FACESHEET DATA, BLOCK 12? IF YES, ATTACH CHANGED PID FACESHEET.

1 NO
 2 YES

14. ORIGINATING OFFICE CLEARANCE SIGNATURE: <i>San A. Bournay</i> TITLE: Director, USAID/Guyana		15. DATE DOCUMENT RECEIVED IN AID W OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION DATE SIGNED: 06 08 79 MM DD YY: 06 14 79
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UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON D C 20523

PROJECT AUTHORIZATION

Loan No. 504-T-017

Name of Country: Guyana
Name of Project: Agriculture Sector Planning
Number of Project: 504-0077

1. Pursuant to Section 103 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Agriculture Sector Planning project for the Government of Guyana (the "Cooperating Country") involving planned obligations of not to exceed \$1,000,000 in loan funds ("Loan") and \$1,898,000 in grant funds ("Grant") over a five year period from the date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to help in financing foreign exchange and local currency costs for the project.

2. The project consists of a program to improve the agricultural sector planning capacity of the Cooperating Country through the provision of technical assistance and the procurement of computer hardware and software and related goods and services (the "Project").

3. The Project Agreement, which may be negotiated and executed by the officer to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority, shall be subject to the following essential terms and covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate.

4. a. Interest Rate and Terms of Repayment

The Cooperating Country shall repay the Loan to A.I.D. in U.S. Dollars within twenty-five (25) years from the date of first disbursement of the Loan, including a grace period of not to exceed ten (10) years. The Cooperating Country shall pay to A.I.D. in U.S. Dollars interest from the date of first disbursement of the Loan at the rate of (a) two percent (2%) per annum during the first ten (10) years, and (b) three percent (3%) per annum thereafter, on the outstanding disbursed balance of the Loan and on any due and unpaid interest accrued thereon.

b. Source and Origin of Goods and Services (Loan)

Goods and services, except for ocean shipping, financed by A.I.D. under the Loan shall have their source and origin in countries included in A.I.D. Geographic Code 941, except as A.I.D. may otherwise agree in writing. Ocean shipping financed by A.I.D. under the Loan shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States or Guyana.

e. Source and Origin of Goods and Services (Grant)

Goods and services, except for ocean shipping, financed by A.I.D. under the Grant shall have their source and origin in the United States, except as A.I.D. may otherwise agree in writing. Ocean shipping financed by A.I.D. under the Grant shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.

d. Conditions Precedent for Disbursements in Each Year

Prior to any disbursement, or the issuance of any commitment documents under the Project Agreement, in each year of the Project, the Cooperating Country shall, except as A.I.D. may otherwise agree in writing, furnish to A.I.D., in form and substance satisfactory to A.I.D., an implementation plan for Project activities for each such year, such plan to include staffing and budget information.

e. Conditions Precedent for Disbursement for Equipment

Prior to any disbursement, or the issuance of any commitment documents under the Project Agreement, to finance the procurement of equipment and related goods and services, the Cooperating Country shall, except as A.I.D. may otherwise agree in writing, furnish to A.I.D., in form and substance satisfactory to A.I.D.:

- (i) a list of the proposed equipment and related goods and services; and
- (ii) a copy of the proposed contract(s) for computer hardware and services.

f. The Cooperating Country shall, except as A.I.D. may otherwise agree in writing, covenant:

- (i) to promptly fill with competent staff the vacant positions existing in the Statistics Bureau, the Planning Department and the National Data Management Authority; and
- (ii) to provide adequate operational budgets to the Statistics Bureau, the Planning Department and the National Data Management Authority for implementation of the Project.

g. Waivers

As more specifically described in the Action Memorandum for this Project Authorization, the following waivers are hereby authorized:

- (i) waiver of formal competitive bid procedures to permit proprietary procurement of the IBM 370/115 computer and related goods and services, with an estimated value of \$1.0 million;

(ii) source/origin waiver to permit procurement of computer components from countries included in A.I.D. Geographic Code 935, with an estimated value of \$162,000; and

(iii) waiver of A.I.D. procurement procedures to permit procurement of rebuilt or reconditioned machinery and equipment.



Administrator

Feb 9, 1980

Date

Clearances:

GC/LAC: JLKessler JLK/ck Date 1/9/80
LAC/CAR: MWithers W- Date 1-9-80

LAC/DR: MBrown MB Date 1/18/80
SER/COM: WSchmeisser WES Date 1-11-80
GC: NHolmes NH Date 1-15-80
AAA/LAC: ECoy EC Date 1/21/80
AA/PPC : AShakow AS Date 1/31/80
Drafted:GC/LAC:GM/Withers:jlo:12/31/79:ext:29182

PROJECT PAPER

AGRICULTURE SECTOR PLANNING

TABLE OF CONTENTS

	<u>PAGE</u>
Facesheet	
PART I. PROJECT SUMMARY AND RECOMMENDATIONS	1
A. Recommendations	1
B. Description of the Project	1
1. Borrower/Grantee	1
2. Summary Project Description	1
C. Summary Findings	1
D. Project Development Team	2
PART II. DETAILED DESCRIPTION OF THE PROJECT	3
A. Setting of the Project	3
B. Project Background	4
1. The Current Planning Structure of the Agriculture Sector	4
2. Major Changes in the Planning Structure	6
C. Project Description	7
1. The Goal	7
2. The Purpose	7
3. The Project Outputs	8
4. The Project Inputs	9
A. Grant Assistance	9
1. Technical Assistance	9
2. Participant Training	9
B. Loan Assistance	9
C. GOG Input	10
5. Relationship of the Project to Other Donor Assistance	10
PART III. PROJECT SPECIFIC ANALYSES	11
A. Economic Analysis	11
B. Technical Feasibility	12
1. Institutional Strengthening	12
2. Data Collection Methods	13
3. Data Processing	14
C. Social Soundness Analysis	14
1. Socio-Cultural Feasibility	14
2. Benefit Incidence	15
3. Role of Women	15
D. Administrative Feasibility	16
E. Environmental Concerns	17

TABLE OF CONTENTS (Cont'd.)

	<u>PAGE</u>
PART IV. FINANCIAL PLAN	18
A. Summary Cost Estimate and Financial Plan	18
B. Costing of Project Outputs/Inputs	19
C. Projection of Expenditure by Fiscal Year	20
PART V. IMPLEMENTATION PLAN	21
A. Implementation Activities	21
B. Schedule of Activities	27
C. Implementation Arrangements	29
PART VI. PROJECT EVALUATION PLAN	31
PART VII. CONDITIONS, COVENANTS AND NEGOTIATING STATUS	32
A. Conditions	32
B. Conditions Precedent to Disbursement for Equipment - Loan	32
C. Special Covenants	32

ANNEXES:

1. DAEC Response Cable
2. Economic Analysis of Data Processing Options/Equipment Lists
3. Detailed Budgets and Descriptions of Technical Assistance and Training Components
4. Detailed Staffing Pattern and Costing of GOG Inputs
5. Logical Framework
6. Government of Guyana Request
7. Draft Project Authorization and Request for Allotment of Funds
8. Section 611(e) Certification
9. Initial Environmental Examination
10. Statutory Checklist

I. PROJECT SUMMARY AND RECOMMENDATIONS

A. Recommendations

It is recommended that A.I.D. approve a five year project consisting of a \$1,000,000 Loan and \$1,898,000 Grant. A.I.D.'s proposed FY 80 contribution is \$1,000,000 Loan and \$400,000 Grant. This was not included in the FY 1979 Congressional Presentation but was included in the FY 80 presentation with an A.I.D. contribution of \$900,000 for the Loan from FY 1980 funds and an anticipated Grant of \$400,000 scheduled for FY 1979. Therefore, congressional notification is required reporting the proposed Loan of \$1,000,000 and Grant of \$400,000 from FY 1980 funds.

B. Description of the Project

1. Borrower/Grantee

The Borrower/Grantee will be the Government of Guyana. The implementation of the project will be undertaken by the Ministry of Agriculture (MOA) through the Planning Department (PD), and by the Ministry of Economic Development (MED) through both the Statistics Bureau (SB), and the National Data Management Authority (NDMA).

2. Summary Project Description

During the five-year implementation period, the Project will seek to improve the GOG's agriculture sector planning capacity through strengthening of the three implementing entities. This strengthening will be brought about through the provision of technical assistance of long and short-term advisors and participant training financed by the Grant and through establishment of a computer center.

The computer center, financed by the Loan, will be managed by the NDMA. This center will further enhance agriculture sector planning by strengthening SB's ability to process and tabulate sectoral statistics and PD's ability to analyze those statistics.

C. Summary Findings

The Project Development Team has determined the proposed activities to be technically and financially feasible for completion within the five-year period. Taking into account the technical and other assistance being provided as part of the Project, it is believed PD, SB and NDMA will have the capacity to carry out their assigned responsibilities under the project. There appears to be no financial constraints to prevent the GOG from providing the required funding for their portion of the Project Inputs. The social soundness analysis identifies no obstacles which have not been taken into account in the Project design. Based on the IEE, the Mission has concluded that the Project will have little or no impact on the environment.

On the basis of the analyses contained in this Project Paper, the U.S.A.I.D. Mission to Guyana concludes that the Project is sound and recommends that a Loan not to exceed \$1,000,000 and a Grant not to exceed \$1,898,000 be authorized to the GOG.

D. Project Development Team

Dwight R. Steen	Rural Development Officer, USAID/G
Nick J. Mariani	Program Officer, USAID/G
Joseph Charette	Capital Development Officer, USAID/G
Bruce M. Berry	Controller, USAID/G
Rafael Samper	Agricultural Economist, LAC/DR/RD
Neil Ferriuolo	Statistician, BUCEN

II. DETAILED DESCRIPTION OF THE PROJECT

A. Setting of the Project

Over the past decade or so, a number of dramatic structural changes have taken place in the Guyanese economy with the nationalization of the sugar and bauxite industries, two of the three principal export oriented industries in the country. Consequently, the GOG must place increasing emphasis on public sector activity as a means of inducing economic growth and raising Guyana's degree of economic self-sufficiency. In recent years, the agricultural sector has come to be increasingly regarded as the linchpin of the GOG's development strategy. For the 1978-81 Plan Period, fully one-third of all public sector investment is earmarked for agriculture and the majority of external donor assistance for Guyana has been and will very likely continue to be directed to this sector.

The specific objectives of Guyana's 1978-81 Agriculture Plan are to:

- 1) Reduce unemployment and its associated problems of unequal distribution of income.
- 2) Reduce dependence on bauxite, sugar and rice as sources of foreign exchange.
- 3) Mobilization of internal financial resources to a greater degree.
- 4) Improve the productivity of investment which has concentrated largely on infrastructure.

The primacy of the agricultural sector in Guyana's development, the role of the public sector in agriculture and the heavy infusions of agricultural investment committed to date all call for solid management, analytical and statistical expertise to provide leadership for the effective functioning of the sector. At the moment, however, the GOG is suffering from a severe shortage of precisely these kinds of expertise. Practically all studies performed to date in preparation of the Mission's agricultural sector assessment confirm this deficiency and the GOG, fully conscious of its shortcomings, has specifically requested the Mission for Project assistance to address its needs in this area.

In response to this request, the Mission submitted the PID, which was reviewed and approved by the DAEC on July 21, 1978 (see Annex 1 for the DAEC approval message). The DAEC recommended that two studies be carried out prior to final design of the project. With the assistance of LAC/DR, the Mission arranged for these studies. The Organization and Management Study was completed in February 1979, and the

Automatic Data Processing (ADP) Needs Assessment Study was completed in April 1979. (The reports of these studies are available in LAC/DR/RD). Relying heavily on the results of these studies and the additional guidance received from AID/W, the Mission has designed the project as described below.

B. Project Background

1. The Current Planning Structure of the Agriculture Sector

The Ministry of Agriculture (MOA) is essentially a "technical Ministry", and has implementation responsibility. The Ministry's primary roles are: (a) setting policy for sector operations; (b) providing sector support services; (c) developing and maintaining sector infrastructure; and (d) gathering data and performing analytical tasks that provide evaluation of sectoral performance. The Ministry engages directly in some agricultural production through its management of land settlement projects, experimental farms and import-substitution farms. Figure 1 depicts the organization of the Ministry of Agriculture and its relation to other important institutions of the sector.

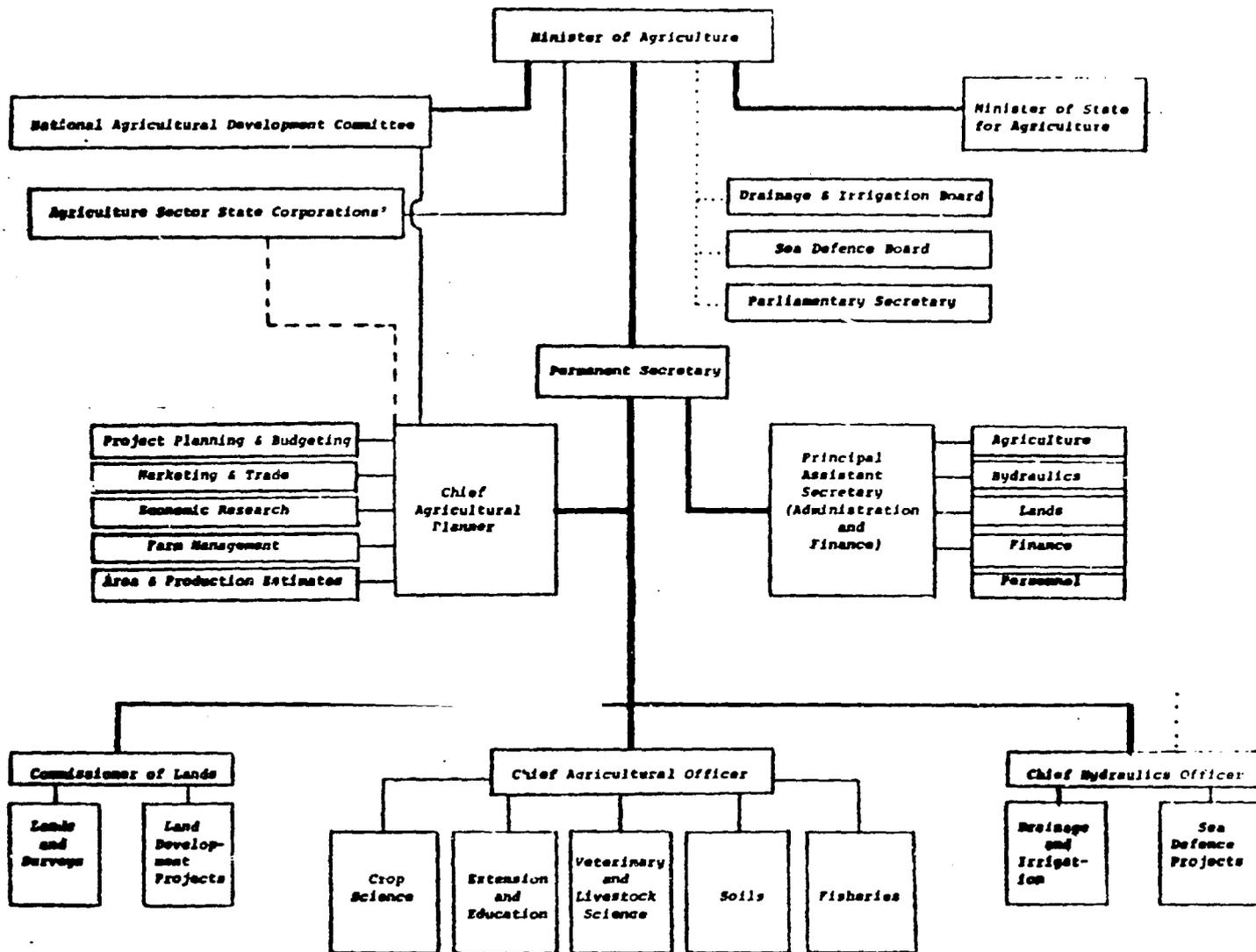
The responsibility for sector planning was vested in the Resource Development and Planning Division (RD&P) of the Agriculture Department of the MOA. Based on the findings of the Project Team, the Minister has moved the RD&P to a staff position reporting to him through the Permanent Secretary, and has considerably expanded its functions. The new planning unit has been designated Planning Department (PD) (see Annex 6 and Figure 1).

The expanded responsibilities of the PD include the following activities:

- Provide basic resource data and assemble agricultural statistics.
- Consult with the State Planning Commission and assist its Chief Planning Officer in the preparation of National Development Plans.
- Assist the National Agricultural Development Committee.
- Prepare, evaluate and monitor agricultural projects.
- Initiate and direct economic/agriculture sector research policy analysis, special studies, etc.
- Develop strategies for growth, by region, by commodity, by land use.
- Maintain liaison with international organizations.

Figure 1

ORGANISATIONAL CHART OF
THE MINISTRY OF AGRICULTURE OF GUYANA



* Includes: Guyana Rice Board
Guyana Marketing Corporation
Guyana Sugar Corporation
Livestock Development Company

Guyana School of Agriculture
Guyana Pharmaceutical Corporation**
Guyana Marine Foods
Diamond Liquors Limited

** Includes: Guyana Stockfeeds

Legend

- ===== Authority and Control
- Partial Authority and Policy Guidance
- Capital Budget Coord... and Information Flow
- Advisory and Delegated Functions

- Prepare farm management budgets
- Monitor capital budgets of the Ministry and related agencies.

2. Major Changes in the Planning Structure

Major changes are taking place in the GOG planning structure and process. A State Planning Commission has been established which among other functions will provide final recommendations to the Cabinet for the aggregate capital and current sector budgets. These aggregate estimates will have been negotiated previously with the Ministry of Agriculture. In turn the consolidations and reconciliation or competing budget requests among various agriculture sector units will have been resolved within the Ministry. This approach is significantly different from the current system whereby major agriculture-related state corporations interact minimally on plan and budget preparation with the Ministry.

These changes have significant implications for the role of agriculture sector planning in relation to national planning. Changes in the organizational relationships of the Planning Department (PD) of the MOA as well as the role of that unit have already been initiated. These changes will have consequences for the spectrum of activities of the PD, staffing to perform these activities and its relationship with the State Planning Commission (SPC), the Statistical Bureau (SB) and the National Data Management Authority (NDMA).

The new planning initiative in the MOA has been spearheaded by the recent creation of the State Planning Commission. The latter was done in an attempt to rationalize the central planning function and within MOA has been complemented by a desire to centralize sectoral planning efforts at the Ministerial level and to regionally decentralize plan implementation.

The proposed planning role for the Ministry will see all agriculture-related State Corporations, Boards, and development authorities, and Ministerial Departments submit capital budgets and other planning documents to the Ministry's Planning Department. The major negotiations concerning individual corporation, board or agency budgets would take place between these and the PD as opposed to dealing on such matters with the State Planning Commission (SPC). The exact sequence of planning activities which unit prepares the initial budget estimate, the approval sequence, etc. - has not been worked out at this time.

Similarly, monitoring of sectoral performance will be centered in the Ministry's Planning Department as will potential control systems (i.e., systems for alerting implementation agencies to deviations from the plan and recommendations for action to be taken). Significant increases in the quality and quantity of data concerning operations

and investment performance supplied by implementing agencies certainly are implied by this responsibility.

The relationship between capital and current budgets has not been determined by the SPC. Officials express the desire to gradually move the current budget toward a "program budget" orientation, focusing more on output and performance than on inputs and expenditures alone. For the MOA and its departments, the Permanent Secretary will continue to have current budget preparation responsibility. As the capability of the PD is strengthened, the move to a "program budget" will be effected. The PD would then create an annual operating plan. This plan would contain specific allocation and resources for individual tasks and time-related performance estimates related to expenditures. The PD would in turn assess these data for their impact on short-term sector performance.

C. Project Description

1. The Goal

The project goal is to improve the standard of living of the rural population. This goal will be accomplished through better agriculture sector program development and better management of sector resources as a result of an improved sector planning/evaluation system.

a) Small Farmer Constraints

A number of constraints on small farmer income have been identified and these will be the focus of the analytical effort under this project. The Rural Farm Household Survey, which is currently being edited, was designed to obtain data on most of the variables affecting these constraints. The constraints include the following:

- (i) low productivity - particularly in the major crop, rice. The variables which will be examined are costs and returns, use of improved varieties, water use, credit, availability of inputs and labor.
- (ii) production of other crops - The variables will be crop by crop costs and returns, yields, adequacy of drainage and irrigation, land improvement costs, input availability and labor.
- (iii) livestock production - The variables to be examined are current production by type, costs and returns, use of grazing lands and credit.
- (iv) employment - The variables are seasonality labor demand, use, sources and cost of hired labor, amount and income from off-farm employment.

- (v) general policy questions, such as land use, land tenure, land improvement, importance of livestock for small farmers, adequacy of drainage and irrigation and water use, the role of women, farm asset distribution, export expansion potential, etc., can also be addressed.

b) Project Strategy

The Project strategy is to carry out analyses, using primarily the Farm Household Survey data, focusing on the constraints mentioned above. Later on, the data from the Consumer Expenditure Survey, the Labor Force Surveys and Crop Area and Production Estimates will be used. These analyses will provide sector decision-makers with a firm basis on which to develop programs and projects designed to eliminate the constraints. This is an iterative process, in that once a given constraint or set of constraints is removed or even partially removed, another factor becomes the constraint. For this reason, the project is structured to continually update the data bases and analyze policy variables.

A successful planning effort is dependent upon two key elements. One is to be able to generate the data necessary to analyze the variables constraining the small farmer. The other is to have the trained personnel who can both manage that data from a processing point of view and who can analyze that data and report it to decision-makers in a useful form. This leads to the project purposes.

2. The Purpose

The project purposes are (a) to institutionalize the capacity of the GOG for sustained, effective agricultural sector planning so as to develop policies, programs, projects and budgets designed to increase productivity and farmer income and (b) to institutionalize the capacity of the GOG to establish and maintain a broad set of policy-relevant baseline data to facilitate the design, implementation and evaluation of programs and projects.

The project purposes will be realized if the following actions are pursued and effectively achieved:

- a) The Ministries of Agriculture and Economic Development, and the Public Service Ministry give immediate high priority to the recruitment of personnel to fill all vacancies which currently exist in the Statistical Bureau, PD and NEMA;
- b) The responsibilities of PD be expanded to include (i) coordinating preparation of annual operating plans; (ii) reconcile capital and operating expense budgets; (iii) focus major commodities; and (iv) regional planning;

- c) The Government of Guyana's commitment to the further orderly growth of MOA and MED staffs required to support the expanded functions of PD. Both Ministries will annually review and justify the establishment and budgeting of positions for SB, NDMA, and PD bearing in mind the personnel requirements set forth in Annex 4 of this Project Paper;
- d) The MED establishes within the National Data Management Authority (NDMA) an efficient computer center capable of processing, filing and retrieval of national and sectoral data sets, and supporting the analysis of these needed to facilitate improved planning; and
- e) The MED through the NDMA and with the assistance of the University of Guyana, establishes a training program which will ensure the optimum use of the computer center in supporting the national statistical system and agricultural sector planning requirements.

The conditions which will indicate that the project purposes have been achieved are:

- a) The MOA will have reorganized in such a way as to give the PD the status and personnel required to deal effectively with all MOA departments as well as the sector's State-owned corporations.
- b) The PD will be effectively budgeting, programming and evaluating the investment projects and production activities of the sector.
- c) The PD in coordination with SB and NDMA will be routinely producing relevant sector information.
- d) The NDMA and SB will be effectively operating the computer center.
- e) The SB with the assistance of NDMA will be routinely collecting, processing, reporting and maintaining a broad set of sector data.

3. The Project Outputs

The major Outputs of the project are as follows:

- a) Development of the 1982-85 Agriculture Sector Plan which will involve further analysis of the 1976 Farm Household Survey data.
- b) Routine semi-annual area and production estimates for major crops based on the National Farm Registry.
- c) Preparation of annual capital budget for the Agricultural sector and eventually the current budgets and an operating plan. This will be coupled with periodic assessments and evaluation of agricultural sector projects.

- d) Other special studies as appropriate which might include commodity channel studies; analysis of input availabilities, costs and distribution; analysis of the livestock situation; analysis of the agricultural credit situation; analysis of sector export potential and food imports, etc.

- e) A general increase in the level of ability of the staffs of PO, SB, and NDMA as a result of the in-country and off-shore training which will be provided. Since the institutionalization of agricultural sector planning management capability requires continuity of essential personnel, no long-term training of personnel will be financed by AID as part of this project. However, some short-term in-country and off-shore training will be conducted, including management training and training in agricultural statistics and farm management. In addition, short in-country training seminars will be conducted in subject areas related to outputs for which existing expertise is inadequate.

- f) The establishment of a Computer Center at the Mining Engineering Building on the Campus of the University of Guyana. The loan-financed computer and related equipment (see Annex 2 for detailed list) will be managed for the SB by the National Data Management Authority (NDMA).

4. The Project Inputs

The inputs required to achieve the above-mentioned outputs and accomplish the project purposes are summarized below:

A. Grant Assistance (US\$000)

	PD		SB		NDMA		TOTAL	
	PM	US\$	PM	US\$	PM	US\$	PM	US\$
1. <u>Technical Assistance</u>								
Long-term Resident	36.0	252.0	30.0	195.0	48.0	312.0	114	759.0
Short-term	42.5	255.0	45.0	291.5	45.5	288.5	133	835.0
2. <u>Participant Training</u>	8.0	13.0	8.0	13.1	-	-	16	26.1
Inflation	-	90.0	-	89.9	-	98.0	-	277.9
Total Grant Financing	86.5	610.0	83.0	589.5	93.5	698.5	253	1,898.0

B. Loan Assistance (US\$000)

1. Computer Hardware and Equipment	679.7
2. Computer Software	30.0
3. Other Equipment and Supplies	163.5
Inflation and Contingencies (15%)	126.8
Total	1,000.0

C. GOG Input*

	<u>PD</u>	<u>SB</u>	<u>NDMA</u>	<u>TOTAL</u>
1. Personnel	610.9	1,389.4	630.0	2,630.3
2. Operating Expenses	45.0	66.1	665.0	776.1
3. Facilities	-	-	60.0	60.0
4. Inflation	156.3	335.6	304.4	796.3
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	812.2	1,791.1	1,659.4	4,262.7
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Annex 2 contains a detailed list of computer equipment, software and other related goods and services being financed by loan funds. Annex 3 contains detailed annual budget for the technical assistance and training being financed by grant funds. Annex 4 contains the detailed staffing patterns and budgets of the GOG inputs.

* Some of these costs are not additional but are on-going. However, in the case of NDMA, all of the stated contribution is project-related and is additive to current GOG costs. The planned contribution of 1,659,400 is itself in excess of 25% of Project costs.

Relationship of the Project to Other Donor Assistance

The following is a list of agriculture sector projects which are active. Forestry and fisheries assistance are not included:

- a) Mahaica/Mahabony Abany (MMA) Irrigation Project
Donor Input: \$49.5 million (IBL)
- b) Tapakoma Irrigation Project
Donor Input: \$29.6 million (IBRD-UK)
- c) Black Bush Irrigation
Donor Input: \$36.5 million (Multi-donor)
- d) Essequibo Coast Sea Defences Project
Donor Input: \$6.5 million (UK)
- e) Agricultural Credit
Donor Input: \$1.5 million (LEC)
- f) Livestock Extension Services
Donor Input: \$600,000 (UNDP)
- g) Veterinary Diagnostic Laboratory
Donor Input: \$7000,000 (CIDA)
- h) Corn and Soya Project
Donor Input: \$400,000 (CARICOM)
- i) Food Crop Project
Donor Input: \$8.8 million (IBL)

There is no other donor assistance being provided to either the PD or SB.

The Project Managers for the three irrigation projects have approached the Mission and PD regarding the structuring of data collection and analyses in such a way as to provide a basis for evaluation of their projects. The Farm Household Survey was designed with this in mind and will provide the baseline data for evaluation. Future area and production survey data when compared with the baseline for households falling within the respective irrigation areas will provide the basis for quantification of benefits from the projects.

Similarly, data and analyses developed by the PD should assist in the evaluation of the credit, livestock and the food crops projects. Also as a result of this project, both the Ministry of Agriculture and the other donors should have a much firmer basis on which to design future sector interventions. The data and analyses will permit future projects to focus on those factors which are most constraining to the small farmer.

III. PROJECT SPECIFIC ANALYSES

A. Economic Analysis

As outlined in Handbook 3 Appendix 5G the real purpose of the economic analysis is to aid in the choice of alternative projects and alternative project designs. That is, the principal value of the analysis is to help project designers clarify and systematize alternative ideas and the discipline imposed by the analytical process so it can be more important than the "numbers" produced. Appendix 5G also points out that both Benefit/Cost and Cost Effectiveness techniques are of limited value in evaluating research, technical assistance or "institution building" types of activities such as those to be financed under this project. In spite of the difficulties involved, however, an attempt was made during the course of project development to evaluate alternative approaches. The project committee is of the opinion that the economic justification for the project is clear.

Cost Effectiveness

For the purposes of economic project or policy planning, many methodologies for gathering base level information exist. Among these are informed opinion (e.g. "windshield assessment"), results of formal case studies, results of representative surveys or censuses, and information which is the by-product of administrative activities. Depending on the type of information required, one or a mix of these methodologies may be most cost-effective. For purposes of the cost-effectiveness analysis undertaken in the course of the development of this project, it was assumed that informed opinion enters into the analytical phase of the project and requires a more formal data base to be fully effective. Similarly, the building of data bases which are the by-product of regular administrative activities is recognized as important in the planning process and is being addressed in the project.

A nation-wide agricultural census was considered and quickly discarded as not being a cost-effective means of gathering the needed data. The costs of an agricultural census are extremely high, quality control, logistics and data processing present enormous problems, and the amount of reliable information that can be feasibly gathered is extremely limited. Given a relatively good sample frame, representative surveys can produce more and higher quality quantitative statistics at a much lower cost than can a census.

Formal case studies tend to be even cheaper than sample surveys but have the disadvantages that no guarantee exists that the data gathered is truly representative nor do they generate good numbers

for more quantitatively oriented analysis. The comparative advantage of case studies is in identifying qualitative characteristics of systems. For example, crop rotation patterns could be detected by the successive repetition of sample surveys over a number of years, but sample surveys would be much more expensive than more limited observation case studies in gathering this information. Case studies may also, for example, give superior insights as to the reasons why target group members do things which at first glance may not appear "rational". Thus, the case study approach is often more cost-effective in identifying system aspects that are not easily quantified.

Therefore, the activities to be financed under this project include a mix of methodologies, which in the best judgment of the Project Development Team are the most cost-effective.

B. Technical Feasibility

1. Institutional Strengthening

Methodological considerations in the design of the various surveys and survey-related technical assistance take into account the previous record of the Statistical Bureau and its demonstrated ability to successfully field a survey effort to collect data. However, the current backlog of data awaiting processing is indicative of the lack of resources within the Statistical Bureau, necessary to advance the information process beyond the data collection phase. In addition, the Statistical Bureau staff requires further strengthening in survey design capability and needs to develop the capacity to utilize a professional and systematic approach to survey design, including initial development of survey objectives, table outlines, questionnaire design, field and office procedures writing, tabulation specifications, sample design and sample selection.

To satisfy these needs, technical assistance to the Statistical Bureau has been designed in accordance with project goals which emphasize institutionalization of the necessary skills and the organizational framework requisite to fulfilling its integral role as part of a properly functioning agricultural planning system. While the various project activities provide the vehicle through which technical assistance is carried out, the design and quality of technical assistance is of central importance to the success of these activities and to the primary purpose of the project as a whole. In this regard, the objective of the technical assistance is not so much to supply current information useful for agricultural planning in the short span of the project but rather to serve as the catalyst through which the Statistical Bureau will develop the capacity to

provide this service. As the Statistical Bureau evolves in this role, there will be quite obvious spillover effects benefitting other sectors which require accurate and timely statistical services.

Sectorial planning is a relatively new activity in Guyana. GOC technicians working in PD will have little experience or training in the implementation of a systematic planning process. Thus the staff of analysts will require strengthening in the identification and analysis of relevant sub-sector events, the preparation of respective reports, the definition of data needs for the analysis of the impact of events, conceptualization of analytical approaches and the design of data collection instruments. In addition, PD technicians will have to learn to work with those at SB in the formulation of an appropriate statistical design for any data collection effort in the sector.

The technical assistance being provided to the National Data Management Authority (NDMA) will not only help establish the first computer center but will also organize a training program designed to provide the personnel required for automated data processing in Guyana. The long range plan of the NDMA is to establish four additional computer centers over the next 4-6 years. Through the training program, the personnel to staff these additional centers will be forthcoming.

Most T.A. will go to developing programs for the processing of the backlog of survey data at SB (see PID, pp. 26-30). This assistance will concentrate on developing effective and efficient programming skills for the processing of statistical data, since programmers in Guyana have little experience in computer applications outside those used in business management. In preparation for NDMA's training program, T.A./training will be needed in the use of canned programs (such as SPSS), data base architecture and design, design of remote job entry systems, computer installation management, computer graphics, and use of computer languages (Cobol and PL/I).

Because of the acknowledged scarcity of available trainees and the importance of their presence, in Guyana, to the achievement of the project outputs, participant training has been kept to an absolute minimum. To provide the training required for the success of the project, a maximum of short-term technical assistance has been programmed. As stated above, the idea is to train GOC technicians while on the job. Since most of the activities to be carried out under training are applied and repetitive over the life of the project, it is felt that training through one iteration of the activity, in most cases, should be adequate. The product of this training is expected to act as a blueprint of the activities which need to be undertaken in each additional iteration to again obtain a product. The input data will change each time, as well as possibly the conclusions, but in each case the resulting project will have the

same format. (An example is the analysis work in the FHS data: as new data become available from future surveys, the same type of analysis will have to be carried out.) In addition, one long term advisor has been programmed for each of the three implementing entities involved in the project. Even though these advisors will be experienced in the management of activities in their subject matter areas, they will also be experts in the subject matter area. Not only will they assist in establishing operationally efficient offices, but they will also support and reinforce the short term technical assistance/training activities.

While in many cases the short term technical assistance/training will be principally directed at one technician, it is possible where necessary to have the advisors work with several technicians simultaneously. Since much of the work to be performed by the three implementing entities is somewhat interdependent, the latter type of sessions will allow technicians in one office to work with advisors to other offices, and in so doing learn how to best reinforce each of these offices' efforts. This will be the common case in each survey effort carried out to collect data for PD. The analyst from PD and his advisor, will need to work with the statisticians from SB and their advisors, and the data processors from NDMA and their advisors. Data collection, processing, and analysis is a team effort. Overall, the total number of technicians which can be exposed to training through this approach is far greater than could be exposed through a participant training program of similar costs.

By analyzing the information in the Implementation Plan (pp. 21-26), the Schedule of Activities (p. 27), Annex 3 and Annex 4, it is possible to see how the short term technical assistance is to be used and how the needs of the projects are met. Since the principal objective of the project is agricultural sector planning, it is necessary to keep in mind that the activities at the Statistical Bureau and the National Data Management Authority are essential of support to the Planning Department. In addition, the activities in the Planning/Budgeting Project Development Monitoring and Evaluation Unit of PD are the focal point of activities in the other Units. Although the minimum number of GOG technicians needed to carry out the activities of the project are 27 (9 for each of the three entities in the project), the short term technical assistance can impact on 2, 3, even 4 times as many technicians. In spite of the fact that short term technical assistance/training over the life of the project amounts to 28 PM for PD, 42.5 PM for SB, and 43 PM for NDMA, over 80% of the total 118.5 PM available is directed at completing the activities in Schedule B, p. 27. Assuming the levels of staffing indicated in Annex 4 are reached, the minimum number of GOG technicians required to receive training should easily be available. Given the salary levels which are to be paid, there should be little problem meeting the professional staffing levels projected.

2. Data Collection Methods

Because of the difficulties encountered by the National Farm Household Survey (NFHS) (part of the Mission's Sector Assessment) in utilizing the National Farm Registry (NFR) as a sample frame, an improved registry for use as an agricultural frame will be developed through information from the NFHS listing operation and through data gathered by attaching a short agricultural supplement to the 1980 Population Census. The questionnaire will be brief, containing 2 "Yes/No" screen questions to identify farmers and perhaps 4 or 5 additional questions to be asked only of farmers. The additional cost to the GOG is expected to be minimal and since the Census questionnaire will be administered first, there will be no danger of biasing responses to the Census.

Timing of preparation for this activity is critical. The materials must be ready for the early (January) Population Census in remote regions of the Rupununi which are inaccessible in April, when the rest of Guyana is scheduled to be censused. Because of these serious timing constraints, the present lack of trained Statistical Bureau staff to accomplish this activity, outside technical assistance will be required. The Bureau of Census (BUCEN) has been identified as the likely source for this assistance. BUCEN has been involved in the development of this project as well as the Sector Assessment and has a familiarity with the problems of current agricultural sample design and frame construction. If necessary because of timing constraints, the Mission will seek central or

PD&S funding to initiate this work on the agricultural supplement.

3. Data Processing

The major bottleneck in the information system has been in the lack of resources within the Statistical Bureau to process information. The large quantities of data collected have far surpassed processing capability. Major constraints in this area have been a lack of sufficient access to computers for machine processing, and a lack of programming expertise necessary to process data within an acceptable time frame. The Statistical Bureau does not have computer processing personnel and because of difficulties encountered in attracting personnel with these highly marketable skills and in an effort to rationalize the use of computers in the public sector as well as to more optimally utilize the scarce human resources available, the GOG created the National Data Management Authority (NDMA). NDMA is an autonomous entity reporting to the Minister of Economic Development. The Statistical Bureau's computer center will be managed by the NDMA.

As mentioned earlier, the Mission contracted for a data processing needs assessment which was completed in May. Based on this assessment and further discussions with three U.S. vendors of data processing equipment in Guyana, the project committee has decided on the IBM 370/115 with a core capacity of 334K. This capacity is necessary to support the SPSS and CENTS packages which will be essential for the work to be carried out under this project.

Neither of the other two U.S. vendors of data processing equipment is prepared to install a machine of comparable capacity in Guyana at this time, because they do not have the ability and facilities to service the equipment. IBM on the other hand has installed a 370/115 at Guymine, in Linden, 77 miles from Georgetown and does have the service capability. (See Annex 2 for a detailed list of computer hardware, software and related goods and services required for the project.)

C. Social Soundness Analysis

1. Socio-Cultural Feasibility

Both the Statistical Bureau and the Planning Division have had substantial experience in obtaining reliable data from the rural, as well as, the urban population of Guyana. The most recent experience was the Rural Farm Household Survey which was partially funded by the Mission and was undertaken as a joint effort by the Statistical Bureau and the Planning Division. In addition, there have been several Labor Force Surveys, Rice Surveys, Population

Census, etc., conducted by the Statistical Bureau and the Planning Division. In these past efforts no major socio-cultural obstacles have been encountered, but at the same time the Statistical Bureau and the Planning Division are sensitive to potential problems. These potential problems are minimized by the Statistical Bureau and the Planning Division through careful survey planning, sensible questionnaire design and field testing and explanation of survey purposes to the communities.

2. Benefit Incidence

As outlined in the Economic Analysis section Part III A, the primary benefits from the project will result from a better allocation of GOG resources channeled to the agriculture sector. It is GOG's policy to focus rural development programs on the poorest groups. For this reason a substantial portion of the benefits from this project will accrue to the rural poor.

The links between a better information base for policy making and project planning and management and the socio-economic improvement of Guyana's poor are real even though indirect. Improved information is required to better analyze and understand the dynamics and causes of poverty, to better target assistance to overcoming the identified problems of poor people, and to improve the cost-effectiveness of programs aimed at them.

If the situation of the poor is to improve permanently, they must become more productive; programs aimed at improving their productivity must be solidly conceived and well targeted, and those programs, as well as other social services programs, must become more efficient. The foregoing will require better information and improved analytical capability which this project is designed to provide.

Improved information and analytical capability are necessary but not sufficient conditions for increased benefits to accrue to the poor. Analyses and information are important factors but there are many other variables that enter into decision-making. However, this Mission is convinced that the GOG policy environment in which this project will be utilized is one in which the commitment to equitable development is genuine. Therefore better information and analyses of the problems of the poor will lead to sounder policy-making and hence, given GOG objectives to more real and lasting benefits for the poor.

3. Role of Women

Very little reliable information exists on the role of women in either the rural or urban setting in Guyana. The surveys to be carried out as part of this project provide an excellent opportunity to find

out more about the role of rural women.

As more adequate information is gathered on the woman's role in the rural household, better knowledge can be attained as to the possible trade-offs between traditional income-earning activities and "modern" forms of income-earning activities. Additionally, having more complete information on this subject will enable planners to take into account the women of rural households in a manner beneficial both to them and to their families. The data gathering instruments in project-funded surveys will be designed in such a way as to permit the making of significant analytical distinctions between the roles of men and women in Guyana. Similarly, many distinctions between men and women are lost in the data aggregation process and therefore the data bank and computer center, which will permit greater data disaggregation, should also assist in making such distinctions.

D. Administrative Feasibility

An effective and operational agricultural sector planning activity requires the participation of three separate public organizations. First the Planning Department (PD) of the Ministry of Agriculture which will carry out the analysis of sector data and information (financial and economic) needed to develop, monitor and evaluate sector development. Second, the Statistical Bureau (SB) of the Ministry of Economic Development and Cooperatives which will support PD through the collection and compilation of national and sectoral statistics. Third, the National Data Management Authority (NDMA), through its Statistical Data Processing Unit, which will support PD and SB in the timely processing and storing of these statistics and the computer support required for economic, financial and statistical analysis.

The success of this project will depend on the degree to which these three organizations are able to work and interact together. Some assurance that the required interaction will be obtained can be found in the high degree of importance that the State Planning Commission (SPC) assigns to the centralization of intrasectoral economic planning and budgeting within one administrative unit, that also has responsibility for the preparation of the four-year agriculture development plan. The consolidation and reconciliation of competing budget requests and development projects among the various agricultural-related State Corporations, Boards, development authorities and Ministerial Departments are to be resolved within PD with the Minister of Agriculture having final authority and responsibility. PD, in turn, will negotiate aggregated budget requirements with SPC.

The GOG is now in the process of implementing the key findings of the Organization and Management Study (O/M) recommended by the DAEC and carried out earlier this year. The general conclusion of the O/M study was that ... "the overall managerial and organizational environment for agricultural sector planning within the Government of Guyana appears sufficiently favorable to proceed with the Agricultural Sector Planning Project".

E. Environmental Concerns

An IEE was prepared by the Mission Engineer in June, 1978 and is attached as Annex 9. The conclusion of the IEE was that the project would have little or no impact on the environment and that neither an environmental assessment nor impact statement would be required.

IV. FINANCIAL PLAN

The following tables present the cost estimates for the Project in the various formats required. The details of the cost estimates may be found in Annexes 2, 3 and 4.

A. SUMMARY COST ESTIMATE AND FINANCIAL PLAN

(US\$000)

Source	<u>A.I.D.</u> Grant	<u>A.I.D.</u> Loan	Total	G.O.G.	TOTAL
<u>USE</u>	FX	FX		LC	
1. Technical Assistance	1,868.0	-	1,868.0	-	1,868.0
2. Training (off-shore)	30.0	-	30.0	-	30.0
3. Computer Hardware and Equipment		1,000.0	1,000.0	-	1,000.0
4. Personnel	-	-	-	3,245.9	3,245.9
5. Operating Expenses	-	-	-	956.8	956.8
6. Facilities	-	-	-	60.0	60.0
Total	1,898.0	1,000.0	2,898.0	4,262.7	7,160.7

Contingencies including inflation have been included in each line item at 10% per annum.

B. COSTING OF PROJECT OUTPUTS/INPUTS

(US\$000)

PROJECT INPUTS	P R O J E C T O U T P U T S							TOTAL
	#1	#2	#3	#4	#5	#6	#7	
<u>A.I.D.</u>								
1. Technical Assistance (Grant)	194.0	285.0	145.5	195.0	550.0	-	498.5	1,868.0
2. Training (off-shore) (Grant)	-	-	-	-	-	30.0	-	30.0
3. Computer Hardware and Related Equipment (Loan)	-	-	-	-	-	-	1,000.0	1,000.0
Total A.I.D.	194.0	285.0	145.5	195.0	550.0	30.0	1,498.5	2,898.0
<u>G.O.G.</u>								
1. Personnel	487.2	976.1	243.1	487.2	243.8	8.0	779.5	3,245.9
2. Operating Expense	31.5	63.2	15.8	47.4	-	-	819.9	956.8
3. Facilities	-	-	-	-	-	-	60.0	60.0
Total G.O.G.	518.7	1,039.3	258.9	534.6	243.8	8.0	1,659.4	4,262.7
TOTAL PROJECT	712.7	1,324.3	404.4	729.6	793.8	38.0	3,157.9	7,160.7

Project Outputs by Number:

- | | |
|------------------------------------|-----------------------------------|
| 1. 1982-85 Agriculture Sector Plan | 4. Other Special Studies |
| 2. Area and Production Estimates | 5. Personnel Trained (in-country) |
| 3. Agriculture Sector Budgets | 6. Personnel Trained (off-shore) |
| | 7. Functioning Computer Center |

C. PROJECTION OF EXPENDITURE BY FISCAL YEAR

(US\$000)

Fiscal Year	A.I.D. Grant	A.I.D. Loan	A.I.D. Total	G.O.G.	Total Project
1980	195.3	1,000	1,195.3	472.0	1,667.3
1981	565.4	-	565.4	690.1	1,255.5
1982	478.0	-	478.0	768.1	1,246.1
1983	251.4	-	251.4	768.1	1,019.5
1984	130.0	-	130.0	768.1	898.1
Inflation	277.9	-	277.9	796.3	1,074.2
Total	1,898.0	1,000	2,898.0	4,262.7	7,160.7

The Project Development Team has carefully examined all of the estimated cost data for this Project. The loan portion of the Project will be used to finance foreign exchange costs of computer equipment; computer software and related goods and services for transportation, installation and maintenance during the first year. The grant portion will also finance foreign exchange costs of U.S. technical advisors and participant training.

The GOG will finance all local currency costs of this Project from annual current budgetary allocations. The Project Development Team has determined that the Project is financially sound. (Also see the cost effectiveness analysis of Section III.A).

V. THE IMPLEMENTATION PLAN

A. Implementation Activities

1. Responsibilities of PD: The activities and responsibilities of the PD are grouped into five main subject matter areas:

- a) Economic Research
- b) Farm Management Analyses
- c) Agriculture and Livestock Production Estimates and Status
- d) Planning/Budgeting and Project Development, Monitoring and Evaluation, and
- e) Marketing and Trade Analyses and Projections

a) Economic Research Activities:

(i) Four pieces of analysis have been identified in this area as flowing from the Farm Household Survey. Each piece of analysis is seen to require approximately six person months of one analyst's time and one person month of short-term technical assistance essentially for the development of the analytical framework and methodology. Development of these activities is seen as taking place in the first twelve to eighteen months of the project as technical staff is available at PD. Pieces identified:

- analysis of the farm labor potential supply and actual work situation
- analysis of farm household income
- analysis of nutritional levels and variety of consumption
- analysis of the potential of hinterlands as a base for the development of agriculture

(Each of these studies is seen as a potential area for recurring study as the data base is updated over time or is given a regional focus.)

(ii) Analysis of Labor Force Information and Design of Follow-on Survey - Two sets of data (76 & 77 LFS) will become available within the first year after the computer center becomes operational. These sets should be analyzed for information they may provide on rural and farm labor. This analysis should take

place prior to the implementation of any follow-on survey of this type (for 1984) to ensure that design addresses existing information gaps.

(iii) Analysis of Household Expenditure, Income and Consumption - This effort is seen as covering at least a two-year period overall beginning in the third quarter of FY 82 (April). Design of the survey will be undertaken by SB with input from PD on questionnaire content. Field work will cover a twelve month period beginning January 1983, and will require two person months of technical assistance to monitor progress on field work and organizing the initiation of data entry. Analysis will begin in the second quarter of FY 84 (January) and will require three person months of technical assistance. PD technical input required to design, monitor and analyze this survey is estimated at a minimum of 1.5 person years over life of activity.

b) Farm Management Activities:

Four pieces of analysis in this area have been identified as flowing from the Farm Household Survey Data. Each piece is estimated to require six person months of PD technical resources and one person month of technical assistance. These studies are seen as providing the basis for the design of add-on modules for the Crop Reporting System questionnaire for implementation beginning in the second quarter of FY 82. Pieces identified:

- analysis of management practices in crop and livestock production
- analysis of total farm investment, use of credit and use of modern inputs
- analysis of the potential for improvement in productivity of farm investment, especially infrastructure
- analysis of water control and increased productivity in sugar and rice

These pieces of analysis will, among other things, address the issue of appropriate technology. They also provide the basis for recurring analysis over the life of the project as conditions in the country change; as new data become available or is regionally focused.

c) Agriculture and Livestock Production:

The emphasis in this area will be the Crop Reporting System, and the development of crop area and production estimates, and their

analysis. As a result, PD technicians in this area will have to work especially close to SB technicians in the maintenance of the National Farm Registry as a sampling frame.

(i) The Agricultural Supplement to the 1980 Population Census - This activity has the highest immediate priority of all activities in the project, as field work on the census begins in January 1980. The idea here is to develop an add-on to the Population Census Questionnaire which will identify the farmers in the population. This provides the most cost effective means of updating the National Farm Registry and establishing the sample frame required for the collection of agricultural sector statistics over the next ten years. At least one PD technician is required to interact with SB in the design of the required add-on beginning October 1, 1979. This PD technician should monitor the implementation of the add-on particularly the processing, as well as the later enumeration beginning in the second quarter of FY 80. A sub-activity within this activity is the reconciliation of the NFR and the listing of the FHS. This will provide one additional reference point for updating of FHS through the population census.

(ii) Crop Area and Production Estimates - Presently, the GOG is doing work in this area through the crop reporting system of SB. In the second quarter of FY 80, it is recommended that progress made to date in this system be evaluated. Technical assistance required one person month survey statistician and one person month mathematical statistician to work with the PD technician responsible for crop and area estimates. This activity is to be repeated in FY 83. In both cases, one person month of PD technician is required.

(iii) One piece of analysis has been identified as flowing from the FHS data. (Analysis of the potential for increases in production of corn, legumes, milk, cotton, vegetable oils, cassava and vegetables.) Technical assistance required is one PM in first year of project. The PD technical input required is six PM.

(iv) Analysis of Livestock Situation - This activity is seen to recur annually, making use of the Livestock Development Company data and survey data. This activity is an input into the annual analysis of sector performance. The PD resources required is six PM per year.

d) Planning/Budgeting and Project Development, Monitoring and Evaluation:

This area of activity brings together the output of the other four areas in the PD and concentrates on the agricultural sector in general. Technical assistance to PD in this area will be provided through the services of the Agricultural Sector Policy Advisor

(thirty-six PM beginning in FY 80) and through the in-country training seminars (twelve PM). Activities in this area are to begin with the arrival of the resident advisor and as the PD staff grows to the minimum recommended level (see Annex 3), and include:

- agricultural sector economic performance report - assessment of past year, outlook for current year, and update of four year development plan
- development of annual capital and current budget for the sector, as well as annual operating budget
- program for evaluating, reviewing and monitoring agricultural projects
- development of the 1982-85 Sector Plan

e) Marketing and Trade:

(i) Two pieces of analysis have been identified as flowing from the Farm Household Survey. Each piece of analysis is estimated to require six person months of PD technical resources and one person month of short-term technical assistance. Development of these activities would take place in the first twelve to eighteen months of the Project. The pieces of analysis are:

- analysis of the potential of the agricultural sector to contribute to the reduction of dependence on exports of bauxite, sugar and rice, and to the improvement in the balance of payments
- analysis of the availability for export of various animal, vegetable and fruit products

(ii) Analysis of import and export data completed by SB to determine export potential and impact of food imports. This is an on-going annual activity for PD as input to planning activities. This is estimated to require six PM of technical resources per year.

(iii) Analysis of input availability, costs and distribution. This is an on-going annual activity for PD as input to planning activities. Estimated to require six PM of PD technical resources.

Note: In the PID, two other sets of activities had been identified in this area for PD; commodity channel studies and market and price information to be carried out with IDB assistance to PD through the Food Crops Project. The focus of the IDB project has been changed and assistance in these areas is being provided to the

Guyana Marketing Board. Therefore, no plans are made to work in these areas in this project.

2. Responsibilities of SB

The SB's function will be to collect the information required by the PD for sector planning. This includes design of the surveys to be conducted, design of the new sample frames to be used, development with PD of questionnaire content, questionnaire design, questionnaire testing, field work and assisting the NDMA in edit and tabulation specifications and in the data processing.

The project will provide technical assistance in the areas surveys, mathematical statistics and data processing. In addition to advising on the activities, these advisors will teach a three-week course on CENTS (a tabulation program) in August 1980, a procedures writing course (one week) in July 1981 and a two week course in design of tabulation specifications in January 1982.

3. Responsibilities of the NDMA

The NDMA will initiate activities as soon as possible after project implementation begins with one or two programmers who will assist PD in obtaining additional tabulations as needed for the analysis of the Farm Household Survey. These tabulations will be produced by NDMA on the Guymine computer on a time available basis until the SB computer center in Georgetown becomes operational sometime in the fourth quarter of FY 80. Short-term technical assistance in computer programming will be provided early on in the first year of the project in running these tabulations. For this reason, and because of their experience in the field and their close association to the FHS file, a PASA with SEU/BUCEN for this assistance is contemplated. As part of the programming assistance to tabulation production training will be provided in CENTS programming and the package and data file will be mounted on the Guymine computer in the first month of the project.

During the first year of activities, NDMA will also assist in reconciling the FHS listing and NFR at Guymine, and in preparing for the processing of the "Census add-on" as SB's computer becomes operational in the fourth quarter. Six PM of short-term assistance in computer programming will be provided for all of the above activities. NDMA will staff up during fiscal year 1980 to the full level of six programmers for development of SB data files.

By the beginning of the second year of the project, NDMA will be completely staffed to operate SB's computer center and the long-term advisors provided under this project will initiate activities. By the beginning of the third quarter of FY 81, NDMA will have

developed a detailed work plan for the processing of all SB data files, the maintenance of these files and timely retrieval. In addition, a work plan will have been developed for support to PD analysis activities. In this second year, the 76 Labor Force Survey file will be edited and be made available with the 77 Labor Force Survey file for tabulations. Processing of the "Census add-on" will be completed. Eleven person months of short-term computer programming assistance will be provided during this year as needed.

The establishment of the computer center will be coordinated by the Ministry of Economic Development (MED). Ownership of the computer will be vested in that ministry. Acting for MED, NDMA will be responsible for operating the center while SB will be responsible for allocating use of the computer among competing jobs.

The computer center will be located on the campus of the University of Guyana (approximately 7 miles from Georgetown), although the building is owned by Guyana Mining Corporation. The building will house the computer as well as office space for some personnel of both SB and PD in order to facilitate their interaction with the computer.

In the third year of the project, NDMA will continue to prepare SB data files. Preparations will be initiated for the processing of the Household Income and Consumer Expenditure Survey. Short-term assistance in computer programming is provided as needed up to four PM especially for the latter activity).

In the fourth year, NDMA will initiate processing of the Consumer Expenditure Survey (CES) as questionnaires are completed in the field. Preparations will be initiated for the processing of the 1984 Labor Force Survey. Short-term technical assistance in computer programming provided as needed (up to five PM).

In the fifth year of the project, NDMA will complete processing of CES and 1984 LFS. Short-term technical assistance in computer programming of up to five PM is provided, as needed.

Project Management

The Chief of each of the three implementing entities will be responsible for carrying out the specific activities assigned to his/her respective entity under this project. The PD and SB have a long history of cooperation on data collection and analysis efforts. The Mission, BUCEN and the LAC/DR/RD personnel who have been involved in the on-going sector assessment are familiar with the collaborative style of these two entities. The NDMA is a new entity and it has a very specific role under the project - management of the computer center. Both PD and SB have had past experience with the Chairman of the NDMA, since he is also head of data processing at Guymine.

Project management responsibility within the Mission will rest with the Rural Development Office.

B. Schedule of Activities*

	<u>Quarter Activity Begins</u>	<u>Frequency of Activity</u>
<u>Planning/Budgeting Project Development</u>		
<u>Monitoring and Evaluation:</u>		
1. Assessment, outlook & update ag. sector plan	1 - FY 80	Annually
2. Dev. capital & current budget for the sector	1 - FY 80	Annually
3. 1982-85 ag. sector plan	4 - FY 80	-
4. Quarterly digest of statistics	3 - FY 80	Quarterly
5. Review, evaluate & monitor ag. projects	3 - FY 80	Continuous
6. Assessment of ag. sector projects	- -	As Needed
<u>Marketing and Trade:</u>		
1. FHSA - Potential of ag. sector	1 - FY 80	Once
2. FHSA - Prod. for export	2 - FY 80	Once
3. Analysis of ag. exports & food imports	4 - FY 80	Annually
4. Analysis of inputs availability, cost & distribution	1 - FY 81	Annually
<u>Economic Research:</u>		
1. FHSA - Farm labor	1 - FY 80	Once
2. FHSA - Farm income	2 - FY 80	Once
3. FHSA - Nutrition & consumption	1 - FY 80	Once
4. FHSA - Hinterland development	3 - FY 80	Once
5. Agro-industry	4 - FY 80	Once
6. Labor force	4 - FY 80	Once
7. Household income & expenditure (CES)	3 - FY 82	Once
<u>Farm Management:</u>		
1. FHSA - Management & production practices	2 - FY 80	Once
2. FHSA - Farm investment, credits and other inputs	2 - FY 80	Once
3. FHSA - Product of investment	3 - FY 80	Once
4. FHSA - Water control & increased production	3 - FY 80	Once
5. Farm enterprise modules	1 - FY 81	Annually
6. Analysis of ag. credit	3 - FY 81	Annually

Schedule of Activities

	<u>Quarter Activity Begins</u>	<u>Frequency of Activity</u>
<u>Agri. & Livestock Production:</u>		
1. NFR - (FHSL & 1980 Census) recon. & maint.	1 - F1 80	Once
2. Crop area and production estimates	2 - FY 82	Semi-annually
3. FHSA - potential for increased production	2 - FY 80	Once
4. Analysis of livestock situation	4 - FY 80	Annually
5. Area & production survey supplements	2 - FY 82	As Desired

* This Schedule of Activities is divided according to the sub-division of the PD which is responsible for analyses of the data. It should be recognized, however, that SB and NDMA will play their respective roles in each of these activities.

C. Implementation Arrangements

1. Procurement of Computer Equipment and related goods and services:

a) The Mission requests a waiver to permit proprietary procurement by the GOG of IBM computer hardware and related goods and services. Assuming the waiver is approved, the GOG would be the authorized agent and standard letter of commitment procedures would be used to procure this equipment. The remaining items, not handled by IBM, will be combined into a PIO/C naming Afro-American Purchasing Center as the authorized agent (Handbook 15, Chapter 5).

The justification for procuring IBM equipment is based on two primary factors: First, the core capacity of the machine must be at least 384K in order to support the SPSS and CENTS packages which will be essential for the proposed project activities. Neither of the other two U.S. sources of computer equipment in Guyana are prepared to install machines of that size because of their limited capability to service them. On the other hand, IBM has already installed a 370/115 with 384K core in Guyana at Guymine and does have the trained personnel and spare parts to service this equipment.

Secondly, in the NDMA five year plan for public sector data processing equipment, a decision was made to standardize on IBM 370 series equipment. This decision is based on the fact that Guymine had already contracted for the IBM equipment, and standardization makes sense from the point of view of national use of scarce human resources, back-up systems when one machine is down, etc.

b) Request for Procurement Source Waiver from Geographic Code 941 to Geographic Code 935:

The source/origin waiver is requested due to the fact that IBM-Guyana is a subsidiary of IBM World Trade Corporation, which manufactures computer components throughout the world. Thus, while IBM 370/115 computers are no longer assembled in the United States, and thus can no longer be purchased new in this country, components of these machines, which are also used on other computers, are still being manufactured. In assembling a computer, IBM will bring together components, new whenever possible, from locations where they are available (Code 935 countries) and some parts will come from the United States, while others may not. Even though it is possible, though not probable, that a machine with the exact specifications required for Guyana exists in the United States, and is available to be reconditioned by IBM and purchased as such, it is preferable to purchase a machine with as many new components as possible, even though they are not all available in this country. The exact origin of each component will not be known

until the order for the computer has been placed and IBM assembles it. To facilitate the procurement process, the mission recommends designation of AID Geographic Code 935 for the IBM equipment.

c) Request for Transportation Source/Origin Waiver:

A source/origin waiver is also requested to permit shipping on vessels of Code 899 countries since there are no U.S. or flag vessels of Code 941 countries maintaining regular services to Guyana.

d) Authorization to Finance Use, Reconditioned or Rebuilt Equipment:

Handbook 15, Chapter 5, pages 5-18 through 5-22 and Appendix D5 outline procedures to be followed when financing used, reconditioned or rebuilt equipment. The Mission has been informed by the Georgetown Office of IBM that any series 370 machine purchased would be reconditioned, since manufacture of this series machine ceased nearly two years ago. The machine to be purchased will have been under an IBM service contract since its initial installation and will be reconditioned to original specifications by IBM as required. The computer will be installed and serviced in Georgetown by IBM. This is standard operating procedure for IBM computer equipment. The GOG has requested USAID to approve the purchase of reconditioned equipment for the reasons indicated in (a) above and in addition offers the economic considerations presented in Annex 2. The GOG agrees to arrange for inspection and appraisal of the equipment by an inspector approved by AID or by SER/DM. USAID has been advised by the GOG that IBM-Guyana warrants that replacement parts are available in adequate supply and that for a period of 10 years from date of sale, they will render assistance, on request, for procurement of replacement parts as part of the service agreement.

2. Procurement of Technical Assistance:

For the technical assistance detailed in the project for SB and NDMA, a PASA with the U.S. Bureau of the Census (BUCEN) will be explored. Because of their involvement with SB during the Farm Household Survey and because of the nature of the work to be done, BUCEN is a logical choice.

For the technical assistance to the PD, a PASA with the U.S. Department of Agriculture will be explored. Alternatively, a private consulting firm, selected through advertising and submission of technical proposals will be used.

VI. PROJECT EVALUATION PLAN

The project will be evaluated on an annual basis with the first being scheduled approximately sixteen months following signing of the Project Agreement, i.e., November 1980. The reason for holding the initial evaluation sixteen months after the project starts, rather than after the normal twelve months, is that given the period of meeting CPs, contract executions, etc., no meaningful evaluative findings would result from conducting a review so early in the project's implementation phase.

Following this initial evaluation, an annual evaluation would be conducted during the life-of-the-project. The evaluation panel will consist of the Project Committee for USAID, and the designated GOG Project Managers for the project both from the Ministry of Agriculture's Planning Department, the Ministry of Economic Development's Statistics Bureau, and the National Data Management Authority plus a representative from the State Planning Commission. The annual evaluations will follow established AID Evaluation Guidelines but will include any special evaluation approaches or interests which may be suggested by the GOG.

The evaluations will particularly focus on planned staffing levels of the PD, as reflected in the Project Paper, Annex 4, compared against the time-frame as projected in the implementation plan. A key interest of the initial evaluation will be to assess the projected arrival time/operational capability of computer hardware, versus its actual arrival/operational status, as the prompt operational status of computer equipment will be critical to achievement of the project's objective(s).

In addition to the annual evaluations, an end-of-project evaluation will be held within ninety days of the PACD to determine if the project purposes were achieved and if its methodology would be applicable in other AID projects.

VII. CONDITIONS, COVENANTS AND NEGOTIATING STATUS

A. Conditions

Because of the critical nature of the timing of some of the short-term technical assistance and the lead time for acquisition of computer hardware, the project committee recommends that the project agreement include only the legal conditions precedent as follows:

- 1) An opinion of the Attorney General of Guyana or other counsel acceptable to A.I.D. that this Agreement has been duly authorized and/or ratified by, and executed on behalf of the Cooperating Country and that it constitutes a valid and legally binding obligation of the Cooperating Country in accordance with all of its terms;
- 2) A statement of the names of the persons holding or acting in the office of the Cooperating Country specified in Section 9.2, and a specimen signature of each person specified in such statement.

B. Conditions Precedent to Disbursement for Equipment - Loan

Prior to any disbursement, or the issuance of any commitment documents under the Project Agreement to finance equipment and related goods and services, Borrower/Grantee shall furnish in form and substance satisfactory to A.I.D. (a) a list of the proposed equipment and (b) copy of the proposed contract(s) for computer hardware and services for prior A.I.D. approval.

C. Special Covenants

Except as A.I.D. may otherwise agree in writing, the Government of Guyana shall covenant that:

- a) All contractual agreements for technical services will include a clause requiring A.I.D. approval prior to initiation of travel by any technicians financed under this project in order to ensure that counterpart personnel are available to work with project financed advisors;
- b) Adequate operational budgets will be provided to PD, SB and NDMA;
- c) The vacant positions existing in PD, SB and NDMA will be promptly filled with competent staff.

ANNEX 1

EMBASSY GEORGETOWN
UNCLASSIFIED

file thru
3/0

STATE 208496
RECD: 17 AUG 933AM

AUG 17 11 15 AM '78

17 AUG 78 12 32z

ACTION VV ESA673BRA270
AID RR RUESON
C RUEHC 8496 2291224
ZNR UUUUU ZZH
R 142322Z AUG 78
INFO FM SECSTATE WASHDC
TO AMEMBASSY GEORGETOWN 3162
BT
UNCLAS STATE 208496
CHARGE AIDAC
RCOM E.O. 11652: N/A
CRON TAGS:

URGENT

NAN
18/AUG/78
PER SB
due 8/22/78

SUBJECT: DAEC REVIEW - GUYANA AGRICULTURE SECTOR PLANNING
PID

REF: GEORGETOWN 2309

Item	Info	File
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1. THE DAEC REVIEWED SUBJECT PROJECT ON JULY 21 AND APPROVED THE BASIC ACTIVITIES PROPOSED. THE DAEC REQUESTED THAT THE PLANNING FOR THE PROPOSED REORGANIZATION OF THE MINAG'S RESOURCE DEVELOPMENT AND PLANNING DIVISION (RDPD) AND THE MINISTRY OF ECONOMIC DEVELOPMENT, STATISTICS BUREAU (SB) SHOULD BE FINISHED BEFORE AID FINANCED TRAINING AND TECHNICAL ASSISTANCE ACTIVITIES ARE STARTED. BECAUSE OF THE RESULTING TIME SLIPPAGE, THE DAEC SUGGESTED THAT ONE COMPONENT ORIGINALLY SCHEDULED FOR IMMEDIATE IMPLEMENTATION - THE SMALL-SCALE AGRO-INDUSTRY SURVEY - BE FINANCED WITH PDS FUNDS;

2. FOR DEVELOPING THE PLANNING COMPONENTS, THE DAEC REQUESTED THAT THE PROJECT TEAM FIRST IDENTIFY THE CRUCIAL AG. SECTOR POLICY AND PROGRAM ISSUES FACING THE GOS PRIOR TO DETERMINING THE ACTIVITIES AND OUTPUTS NEEDED FOR PLANNING IN GENERAL AND FOR INCLUSION IN THE PROJECT. IN ADDITION, PROJECT DEVELOPMENT SHOULD INCLUDE: (A) A MANAGEMENT STUDY TO ANALYZE AND IDENTIFY: THE DECISION-MAKING PROCESS IN THE RDPD AND SB (I.E., WHO SHOULD OR DOES MAKE DECISIONS) THE SUPPORTING ORGANIZATIONAL STRUCTURE, AND STAFF EXPERTISE AND OTHER RESOURCES REQUIRED TO SUPPORT THE DECISION-MAKING FUNCTIONS WHICH HAVE BEEN IDENTIFIED AND TO RECOMMEND HOW ORGANIZATIONAL CHANGES SHOULD PROCEED DURING PROJECT IMPLEMENTATION; (B) AN ASSESSMENT OF EXISTING COMPUTER CAPACITY AND FUTURE COMPUTER NEEDS FOR NOT ONLY PLANNING BUT ALSO ACTIVITIES IN OTHER SECTORS. THIS STUDY SHOULD FURTHERMORE ANALYZE SIZE, COST, AND AVAILABILITY OF SERVICING AGREEMENTS (AND ANY OTHER INFORMATION REQUIRED TO JUSTIFY POSSIBLE SOLE SOURCE PROCUREMENT). AID/W PREPARED TO ASSIST MISSION IN OBTAINING NECESSARY EXPERTISE.

3. THE MISSION MIGHT WANT TO ALSO CONSIDER ASSISTANCE TO THE GOS FOR DESIGNING AND IMPLEMENTING THE PROPOSED REORGANIZATION AND FOR TRAINING IN COMPUTER USE (IN ADVANCE OF PROJECT IMPLEMENTATION) BASED ON RECOMMENDATIONS RESULTING FROM THE STUDIES OUTLINED IN (A) AND (B).

4. THE DAEC REQUESTED THAT THE FOLLOWING ISSUES RELATED TO THE PLANNING COMPONENTS BE ADDRESSED: (A) THE POSSIBILITY OF INCORPORATION OF AGRICULTURAL PLANNING INTO A BROADER SECTOR PROJECT SHOULD ONE BE DEVELOPED. THE DAEC REQUESTED THE MISSION TO CONSIDER THE FOCUS OF THE FY 79 AG SECTOR DEVELOPMENT LOAN (NOW AG CREDIT) WITH A VIEW TO BROADENING ITS PROPOSED SCOPE, GIVING IT A MORE COMPREHENSIVE NATIONAL SET OF ACTIVITIES. IN MAKING THIS SUGGESTION THE DAEC WAS CONCERNED OVER THE APPARENT "TARGET OF OPPORTUNITY" APPROACH IN THE USAID AGRICULTURAL PROGRAM AND ENCOURAGES THE MISSION TO DEVELOP A STRATEGY FOR AID ACTIVITIES IN THE AGRICULTURAL SECTOR. SUCH A STRATEGY MAY OR MAY NOT INCLUDE AN AGRICULTURAL SECTOR LOAN. (B) RELATIONSHIP OF THE PROPOSED AID PROJECT ACTIVITIES TO THE IDR FOOD CROP LOAN. (C) PROJECT DURATION: THE NATURE OF THE PROPOSED PLANNING AND INSTITUTIONAL DEVELOPMENT ACTIVITIES APPEAR TO REQUIRE AN IMPLEMENTATION PERIOD OF AT LEAST 4-5 YEARS AS OPPOSED TO THE 3 YEAR IMPLEMENTATION PERIOD SUGGESTED IN THE PID.

BT
8496

ECONOMIC ANALYSIS OF DATA PROCESSING OPTIONS

In recommending the purchase of a computer, two sets of options were considered. The first set consisted of alternatives available within Guyana, the second is of alternatives outside. Both sets included the purchase of time on a computer, the leasing of the equipment, and the purchase of the equipment.

Taking the alternatives in order, the findings were as follows:

The option of purchasing time on another computer in Guyana was discarded early on, due to the scarcity of time available on the Guymine computer (see Section B, Item 3, p. 39, Ag Sector Planning Project Identification Document, July 21, 1978), the only computer large enough in-country to meet the Statistical Bureau's data processing and analysis needs. In considering the second and third options, manufacturer representatives for NCR, Burroughs and IBM were contacted in Guyana. Of these three, only IBM indicated a willingness to lease or sell the required equipment (see p. 35, Assessment of the Information Processing Needs for Agricultural Sector Planning in Guyana, Analysis Group Incorporated, June 5, 1979). The costs of the alternatives for IBM can be compared through Tables A and E of Annex 2. In Table A, the sum of the estimated prices of Items 1 through 29, totals the purchase price of the hardware, US \$594,713. Table E presents the long term leasing charges which total US \$11,885 per month, or US \$713,100 over the five year life of the project. All other costs, i.e., maintenance and software, are essentially the same regardless of which of the above two options is chosen.

The point in time at which the total lease charge surpasses the purchase price of the hardware varies from item to item. Thus, for example, the Central Processing Unit, which has the greatest unit cost, would be paid off in 3.3 years at the lease rate of US\$4,086 per month, while the Dual Console Diskette Recorders would only be paid off if leased for 15 years at the rate of US\$221 per month. Item 17 (Printer) would be paid off in 2.5 years, given the monthly lease rate of US\$1,262. This suggests that a mixed lease/purchase arrangement may be the most attractive in establishing a computer center. Nevertheless, a large detractor of this combination of options is the fact that it would increase the GOP's operating expenses after the five year project period as lease payments must be continued.

Given the state of the automatic data processing arts in Guyana, it is not unrealistic to assume that the computer equipment being recommended would, after year 5, continue to be adequate for the needs of the Statistical Bureau and Planning Department. Thus, for every month that this machine is used after the 53rd month of the project (year 4), the GOC saves US\$11,165 in operating expenses for computer hardware, equivalent to the annual salary of one masters level professional in the Planning Division. In terms of the first set of options available within Guyana, purchasing appears preferable to leasing.

The second set of options were also considered in the order presented above. The alternative of purchasing machine time on a computer outside Guyana has logistical and practical shortcomings (which can be inferred for the PID document) which far outweigh any cost considerations. In studying the feasibility of leasing or purchasing a machine, special attention was given to the fact that, with the exception of IBM, the in-country manufacturers representatives were unwilling to sell the required equipment because of the stated inability to provide maintenance locally on a continual basis. Their reasoning is based on the fact that a certain minimum number of large machines must be installed to justify a resident maintenance technician. Thus while the US representatives of the manufacturers are more than willing to sell and lease equipment for use in Guyana, it is not clear how maintenance for the equipment would be provided. The experience of the PP design team has been that local representatives who can provide maintenance for equipment purchased abroad are less than willing to do so, since they have not received the sales commission for the transaction and thus feel their primary responsibility is to their local customers. For representatives who presently cannot provide the service locally, it is hard to believe that the service capability will be mounted for a single machine which they themselves were unwilling to sell. These doubts about availability of local maintenance were expressed to the US manufacturers' representatives who have been quick to suggest that maintenance could be provided from the US. Here the experience of the PP design team has been that the cost can be very high, as indicated in Annex 2, Table F. Thus while the cost of comparable computer equipment available in the US is considerable lower than that available in Guyana, (Table G), the savings which could be gained are more than offset by the costs of maintenance (Table F), plus the resulting complications which can result from not having maintenance available locally and which are hard to identify in advance and value.

In summary, the only option which can be identified with a known and proven capability to provide a dependable data processing system in Guyana is the one which recommends the purchase of a computer from the local IBM representative. This option is supported by a proven track record of maintenance support capability in the country as well as by the fact that there already exists in country similar equipment which can provide back-up support. In the design team's view, it is pure speculation whether the other options can really provide the same services at a lower cost.

EQUIPMENT LIST

DATA PROCESSING HARDWARE REQUIREMENTS

<u>ITEM NO.</u>	<u>TYPE</u>	<u>MODEL</u>	<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>ESTIMATED PRICE \$US</u>
1	3115	H2	Processing Unit (384K)	1	162,000
2		3910	Floating Point	1	N/C
3		3860	Expansion Base	1	1,855
4		5249	Extended Byte Multiplier Channel	1	1,445
5		4650	Integrated 3203 Printer Attachment	1	2,730
6		4675	Magnetic Tape Adapter	1	4,475
7		4653	Integrated 3203 Printer Prerequisite	1	2,805
8		5248	Basic Byte Multiplexer Channel	1	8,535
9	3340	A02	Direct Access Storage	1	39,060
10		4301	Fixed Head Feature	2	3,710
11		E02	Direct Access Storage	3	82,020
12		4301	Fixed Head Feature	2	3,710
13	3803	003	Tape Control Unit	1	26,690
14		3551	Dual Density Feature	1	2,895
15	3420	003	Magnetic Tape Unit		
16		3550	Dual Density Feature		
17	3203	002	Printer	1	38,280
18			Print Chain		N/C
19	3505	B01	Card Reader	1	32,230
20	3540	B1	Diskette Converter	1	22,870
21	3525	F01	Card Punch	1	22,940
22	3348	7CF	Data Module with Fixed Heads	8	37,000
23	3274	002	Video Controller	1	6,430
24	3277	002	Video Display	1	3,528
25		4636	66 EBCDIC Data Entry Keyboard	1	566
26	3289	2	Line Printer	1	4,232
27	3284	2	Matrix Printer	1	5,180
28			Extended Print Chain	1	500
29	3742		Dual Consol Diskette Recorder (128 cols.)	4	40,000
30			Magnetic Tapes and Diskettes		15,000
SUBTOTAL					109,713
Transportation and Insurance					70,000
TOTAL HARDWARE					179,713

B. SOFTWARE REQUIREMENTS

<u>ITEM NO.</u>	<u>IBM PROGRAM NO.</u>	<u>DESCRIPTION</u>	<u>ESTIMATED ANNUAL COST \$US</u>
1	5798 - CFT	SPMOL	1,800
2	5796 - PGK	DOS/VS Performance Tool with Extended Support	2,100
3	5796 - PFH	DOS/VS SDL/SVA List Optimiser	3,000
4	5746 - XE2	DOS/VS Advanced Functions Release 34	2,400
5	5798 - CPQ	DOS/VS Console Spooling Under Power/VS	960
6	5746 - CB1	Cobol Compiler & Library DOS/VS	1,692
7	5746 - LM3	Fortran IV Library Option	396
8	5746 - SM2	DOS/VS Sort Merge II	1,800
9	5736 - LM4	PL/I Resident Library	649
10	5736 - LM5	PL/I Transient Library	336
11	5736 - PL3	PL/I Compiler	3,396
12	5798 - ARN	DOS/VS Ditto	862*
13	5798 - CAF	DOS/VS Ditto Extensions	600*
14		SPSS & CENTS	10,000
TOTAL			29,991

Recurring cost of approximately \$18,000 annually will be paid by NDMA after initial year.

C. OTHER GOODS AND SERVICES

1.	Computer Equipment Service Contract	30,000**
2.	Air Conditioning Equipment	10,000
3.	Vehicles	10,000
4.	Report Reproduction Equipment	7,000
5.	Office Supplies	5,000
6.	Other Miscellaneous Equipment	1,500
7.	Standby Generator Plant, 50KVA	40,000
8.	50/60 Hz Converter, 50KVA capacity	20,000
	Transportation and Insurance	20,000
TOTAL		163,500

* Owned after one (1) year.

** Recurring cost will be paid by NDMA after the initial year.

D. SUMMARY OF LOAN FINANCING

A.	Data Processing Hardware	\$679,713
B.	Software Requirements	29,991
C.	Other Goods and Services	163,500
		<hr/>
	SUBTOTAL	873,204
	Inflation & Contingencies (15%)	126,796
		<hr/>
	TOTAL LOAN FINANCING	1,000,000
		<hr/>

EQUIPMENT LIST

E. DATA PROCESSING HARDWARE REQUIREMENTS -
Monthly Leasing Charges - IBM

<u>ITEM NO.</u>	<u>TYPE</u>	<u>MODEL</u>	<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>LONG TERM MONTHLY LEASE CHARG</u>
1	3115	H2	Processing Unit (384K)	1	\$4,800
2		3910	Floating Point	1	--
3		3860	Expansion Base	1	45
4		5249	Extended Byte Multiplier Channel	1	35
5		4650	Integrated 3203 Printer Attachment	1	83
6		4675	Magnetic Tape Adapter	1	112
7		4653	Integrated 3203 Printer Prerequisite	1	87
8		5248	Basic Byte Multiplexer Channel	1	207
9	3340	A02	Direct Access Storage	1	1,020
10		4301	Fixed Head Feature	2	44
11		B02	Direct Access Storage	3	721
12		4301	Fixed Head Feature	2	44
13	3803	003	Tape Control Unit	1	750
14		3551	Dual Density Feature	1	77
15	3420	003	Magnetic Tape Unit	2	396
16		3550	Dual Density Feature	2	122
17	3203	002	Printer	1	1,260
18			Print Chain		--
19	3505	B01	Card Reader	1	--
20	3540	31	Diskette Converter	1	632
21	3525	P01	Card Punch	1	--
22	3348	70F	Data Module with Fixed Heads	8	--
23	3274	002	Video Controller	1	456
24	3277	002	Video Display	1	94
25		4636	66 EBCDIC Data Entry Keyboard	1	14
26	3289	2	Line Printer	1	518
27	3284	2	Matrix Printer	1	139
28			Extended Print Chain	1	--
29	3742		Dual Consol Diskette Recorder (128 cols.)	4	221
TOTAL					\$11,330

F. Estimated Cost of Maintenance Service Provided by Manufacturer's Representatives in New York

These costs are estimated based on the following assumptions:

1. Preventive maintenance is provided on a weekly basis over the life of the project. This periodicity is standard for similar equipment in the U.S.

$$52 \text{ weeks/year} \times 5 \text{ years} = 260 \text{ service calls}$$

2. Machine break downs are equal to 5% of the expected operating time of 260 days per year.

$$260 \text{ days} \times .05 \times 5 \text{ years} = 65 \text{ service calls.}$$

3. Each service call totals 28 hours, which is the time required to fly from New York to Georgetown and return, and remain in Georgetown for 12 hours. Service calls are billed at a rate of U.S. \$55/hr.

$$\$55/\text{hr} \times 28 \text{ hrs} = \$1540/\text{service call}$$

4. Service call rates do not include the cost of transportation or per diem. A round-trip ticket to Guyana costs about U.S. \$650 and per diem for 28 hours is about U.S. \$52.

$$\$650 + \$52 = \$702/\text{service call}$$

5. Total cost of Maintenance:

$$\text{Service: } 325 \text{ service calls} \times \$1540/\text{service call} = \$500,500$$

$$\text{Travel: } 325 \text{ service calls} \times \$702/\text{service call} = 228,150$$

TOTAL COST OVER LIFE OF PROJECT	<u>\$728,650</u>

G. U.S. PRICES OF COMPARABLE COMPUTERS
(Prices for Items 1-24 of Table A)

- | | |
|---|---------------|
| 1. IBM 370/115 with (256K)
(The price would probably be the same
as that quoted in Guyana, if it were
for a machine with 384K. Maintenance
for this machine is provided locally.) | U\$541,997.00 |
| 2. IBM 4331
(No service available for this machine
in Guyana. Costs from Table F apply.) | U\$422,522.00 |
| 3. Wang 220VS
(No dealer for this equipment in
Guyana. Costs from Table F apply
No back-up available in country.) | U\$199,985.00 |
| 4. Burroughs
(No service available in Guyana.
Costs of Table F apply. No back-up
available in Guyana.) | U\$320,487.00 |

DETAILED BUDGETS AND DESCRIPTIONS OF
TECHNICAL ASSISTANCE AND TRAINING COMPONENTS

Budget for Assistance to PD

(US\$000)

	<u>FY 80</u>	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>	<u>FY 84</u>	<u>LOP</u>
<u>Long-Term Technical Assistance</u>						
Senior Agricultural Sector Policy Economist: 36 PM at \$7,000/PM	21.0	84.0	84.0	63.0		252.0
<u>Short-Term Technical Assistance</u>						
Organizational Management 4 PM at \$6,000/PM	12.0	12.0				24.0
Analysis of Farm Household Survey data: 12 PM at \$6,000/PM	36.0	36.0				72.0
Design and Analysis of household consumption, expenditure and income survey: 8 PM at \$6,000/PM			18.0	12.0	18.0	48.0
Development Project Management Center: 2 PM at \$6,000/PM			6.0	6.0		12.0
Economic Development Institute: 2 PM at \$6,000/PM		12.0				12.0
In-country training seminars: 12 PM at \$6,000/PM		18.0	18.0	18.0	18.0	72.0
Evaluation: 2½ PM at \$6,000/PM			7.5		7.5	15.0
Subtotal	69.0	162.0	133.5	99.0	43.5	507.0
Inflation		16.0	26.5	29.0	17.5	89.0
Total	69.0	178.0	160.0	128.0	61.0	596.0

FY 80 FY 81 FY 82 FY 83 FY 84 LOP

Participant Training PD

Statistical Training Program
(ISPC/BUCEN)

Survey Sampling: 2 persons for 4 mos. (cost of course \$3,495/person, standard AID subsistence \$600/per/m air travel \$600)	3.3	9.7			13.0
Subtotal	3.3	9.7			13.0
Inflation		1.0			1.0
Total	3.3	10.7			14.0

1. Senior Agricultural Sector Policy/Planning Advisor - This individual will need to be equally knowledgeable about the practicalities of the administrative installation of a planning system as well as its analytical requirements. He/she will need to be concerned with the establishment of the planning system in relation to the analytical capabilities of the PD staff and the specific analyses to be performed. This process will hinge to some degree on the schedule for development of the 1982-85 Development Plan. The O/M study considers that at least one year will be required for the development of the plan itself. This Advisor should thus arrive in the fourth quarter of FY 80. Other major activities during the 36 month tour of this Advisor will be the evaluation of the crop reporting system in light of the updated National Farm Registry and the design of the Household Consumption, Expenditure and Income Survey.
2. Organizational Management - The O/M study recommended "Organizational Management Assistance" in the early phases of the project for providing recommendations on internal structure of the planning unit and the identification of planning activities and this sequence of performance in relation to the preparation of budgets and annual plans (1 PM) - In the fourth quarter of FY 80, "Budget Preparation Assistance" will be required to prepare the sector capital and current budgets and the annual operating plan (1 PM) - In the second quarter of FY 81, assistance for structuring the system for creation of the next four year development plan (1 PM) - In the first quarter of FY 82, assistance in development of a report on the agricultural sector economic performance for CY 81 (assessment of past year, outlook for current year and update of 1978 - 81 plan) (1 PM).

3. Analysis of Farm Household Survey Data: Eleven separate analytical pieces have been identified as potentially flowing from the Farm Household Data in addition to the Sector Assessment being developed by the Mission. Exhausting this source of information as an input to the 1982-85 development plan is a high priority of the GOG. One person month of technical assistance is budgeted for each of the eleven pieces of analysis identified. An additional month is budgeted as a contingency. (The specific pieces of analysis are identified in the implementation plan). One possible source for this T.A. may be through a PASA with USDA as it will be important to start the analysis process as soon after project implementation begins as possible so that the gap between completion of the Assessment and the process is not so long as to allow for a cooling of the start-up enthusiasm instilled in the GOG by the Assessment. The rate at which this assistance can be provided will depend on the ability of the PD, SB and NDMA to staff-up.
4. Design and Analysis of Household Consumption, Expenditure and Income Survey: Beginning in the third quarter of FY 1982, assistance will be provided to PD and SB in the design of the income, consumption and expenditure survey to be implemented in FY 83. This Advisor would be an Agricultural Economist with experience in design and analysis of this type of survey. The Advisor would be expected to support this activity over the entire two year period required for its design implementation and analysis. Three PM's of assistance will be required beginning in the third quarter of FY 82 for design. At least one person month in FY 83 will be required to review progress on fieldwork and one person month for development of editing criteria. The Advisor will assist PD analysts in the study of the data in FY 84.
5. In-Country Training Seminars - These seminars will be conducted in subject areas related to the development of capital and current budgets and their use in developing and using annual operating plans; the review, evaluation and monitoring of agricultural projects (i.e., critical path analysis); and the development of annual sector assessments.

Budget for Assistance to SB

(US\$000)

	<u>FY 80</u>	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>	<u>FY 84</u>	<u>LOP</u>
<u>Long-Term Technical Assistance</u>						
Senior Survey Statistician 30 PM at \$6,500/PM		78.0	78.0	39.0		195.0
<u>Short-Term Technical Assistance</u>						
Survey Advisor 26 PM at \$6,500/PM	58.5	32.5	19.5	45.5	13.0	169.0
Mathematical Statistics Advisor 16.5 PM at \$6,500/PM	19.5	29.5	19.5	13.0	26.0	107.5
Evaluation 2.5 PM at \$6,000/PM			7.5		7.5	15.0
Subtotal	78.0	140.0	124.5	97.5	46.5	486.5
Inflation		14.0	25.0	29.0	19.0	87.0
Total	78.0	154.0	149.5	126.5	65.5	573.5
<u>Participant Training</u>						
Survey Methods - 2 persons for 4 mos. each (cost course \$3,495/person, subsistence \$600/PM, air travel \$600)		2.2	6.5	4.4		13.1
Subtotal		2.2	6.5	4.4		13.1
Inflation		.3	1.3	1.3		2.9
Total		2.5	7.8	5.7		16.0

1. Senior Survey Statistician - This individual will require an extensive background in all phases of sample survey design and implementation. Some overseas experience is preferred. This position would be located in the Surveys Unit of the Statistical Bureau of the Ministry of Economic Development and the principal duties and responsibilities would require that the individual selected:
 - a) Provide overall direction, supervision, and assistance to the Surveys Unit in the organization, design, development and implementation of sample surveys.
 - b) Coordinate proper institutional development and interaction between the Surveys Unit of the Statistical Bureau, the Department of Planning of the Ministry of Agriculture and the National Data Management Authority with other resident advisors and supervisory personnel of the Government agencies.
 - c) Train Surveys Unit personnel as needed in the specific activities necessary to perform their duties, assist in the development of data collection materials and review and approve the final products.
 - d) Monitor and schedule special technical assistance and training and provide for the orderly flow of planned short-term technical assistance.
 - e) Monitor the progress of the SB in meeting scheduled activities, consult with officials of MOA, NDMA and USAID concerning possible adjustments that may be necessary if problems should occur.

This advisor should be in place by the first quarter of fiscal year 1981 and would serve for a period of 30 months. The advisor would be involved in all survey activities of the Statistical Bureau outlined in the implementation plan.

2. Survey Advisor: The Survey Advisor will provide short-term technical assistance and training in connection with specific survey activities. Extensive background in sample survey work is required and experience in working with counterparts in agricultural sample survey work overseas is preferred. Specific duties will include survey design and planning, questionnaire design, design of field materials, training of Survey Unit staff, quality control of survey operations, monitoring and supervision of fieldwork, project assessment, and presentation of in-country seminars. This short-term technical assistance to the Statistical Bureau is scheduled

throughout the life of the project and some flexibility exists to respond to problems or needs of the Statistical Bureau as they arise and are identified for special assistance by the Senior Survey Statistician.

3. Mathematical Statistics Advisors: These advisors will provide short-term technical assistance in sample frame construction, sample design and selection, variance and weighting specifications. Extensive experience in the appropriate area for the specific task is required as in the ability to train counterpart junior level Mathematical Statisticians. Experience overseas is preferred. Mathematical Statistics Advisors, like the Surveys Advisors are scheduled through the life of the project and can be called upon should the need arise for special assistance.

Budget for Assistance to NDMA

(US\$000)

	<u>FY 80</u>	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>	<u>FY 84</u>	<u>LOP</u>
<u>Long-Term Technical Assistance</u>						
Computer Sciences and Management Advisor: 24 PM at \$6,500/PM		78.0	78.0			156.0
Data Processing Advisor: 24 PM at \$6,500/PM		78.0	78.0			156.0
<u>Short-Term Technical Assistance</u>						
Computer Programming Assistance: 31 PM at \$6,500/PM	39.0	71.5	26.0	32.5	32.5	201.5
In-country training Seminars: 12 PM at \$6,000/PM	6.0	24.0	24.0	18.0		72.0
Evaluation: 2.5 PM at \$6,000/PM			7.5		7.5	15.0
Subtotal	45.0	251.5	213.5	50.5	40.0	600.5
Inflation (10%)		25.0	42.0	15.0	16.0	98.0
Total	45.0	276.5	255.5	65.5	56.0	698.5

1. Computer Sciences and Management Advisor: This individual will provide technical and administrative support to the General Manager of NDMA in the development of an operationally efficient data processing and training center. He/she must have a minimum of 5-7 years work experience. Two of which have been in the area of management of a computer center. He/she should have experience not only in business applications of data processing, but also in statistical applications based on survey interviews. He/she should have working experience with both the hardware and software to be installed at NDMA. He/she should have training experience. The tour is to begin in the first quarter of FY 81.
2. Data Processing Advisor: This individual will assist the data processing manager in establishing an operationally efficient data processing unit. He/she must have experience in the use of the analytical package programs available at NDMA. He/she must have at least 2 years working experience with both the hardware and the software to be installed at NDMA and be able to provide instruction in its use. The tour is to begin in the first quarter of FY 81.
3. Computer Programming Assistance: This is to assist NDMA in developing programs for the processing of the backlog of survey data at SB. In particular, assistance in developing the programs for the processing of the 1976 Labor Force Survey, processing of its agricultural supplement to 1980 Population Census, update of the National Farm Registry based on this information, (both of the latter activities will require assistance fourth quarter FY 80) the processing of information from the Crop Reporting System and the Household Income and Expenditure Survey. This assistance should include ample demonstration in the use of CENTS for tabulation production and programming for editing and clearing data files. This assistance can probably be best obtained through a PASA with SEU/BUCEN given their experience in the processing of this type of information.
4. In-country Training Seminars: In-country training seminars will be conducted in subject areas related to NDMA outputs for which existing expertise is inadequate. Subject areas tentatively identified are: SPSS as a tool for statistical analysis; data base architecture and design; design in remote job entry communication systems; Computer Installation Management; Computer Graphics; Advanced Programming techniques; and use of Computer languages (specifically Cobol and PLI).

DETAILED STAFFING PATTERN AND COSTING OF

GOG INPUTS

Ministry of Agriculture - Planning Department Staffing Pattern

	<u>FY 80</u>	<u>FY 81-84</u>	<u>Salary Level FY 80</u> <u>Base* G\$</u>
<u>Professional Staff:</u>			
Chief Planning Officer (A40)	1	1	21,680
Specialist Ag Economist (A33)	2	2	19,064
Senior Ag Economist (A31)	1	1	18,080
Ag Economist (A28)	2	5	16,336
Economist (A26)	-	1	15,832
Economist (non-pensionable) (A24)	2	3	11,872
Ag Officer (A24)	1	1	11,872
Stats Officer (A24)	-	2	11,872
Financial Analyst (A33)	1	1	19,064
	<u> </u>	<u> </u>	
Subtotal	10	17	
<u>Sub-professional Staff:</u>			
Ag Technical Assistants II(A15)	1	1	5,972
Ag Technical Assistants I(A13)	2	4	4,982
	<u> </u>	<u> </u>	
Subtotal	3	5	
<u>Clerical Staff:</u>			
Typist/Clerk II	6	8	5,791
	<u> </u>	<u> </u>	
Grand Total	19	30	
	<u> </u>	<u> </u>	

* Salaries include estimated allowances.

Ministry of Economic Development - Statistical Bureau

Staffing Pattern

	<u>FY 80</u>	<u>FY 81-84</u>	<u>Salary Level FY 80</u> <u>Base* G\$</u>
<u>Professional Staff:</u>			
Chief Statiscician (A40)	1	1	21,680
Deputy Chief Statistician (A34)	1	1	19,564
Assistant Chief Statistician (A33)	2	3	19,064
Mathematical Statistician (A29)	-	1	16,540
Senior Statistician (A27)	4	6	16,002
Statistician (A24)	6	6	11,872
Statistical Survey Officer (A24)	6	8	11,872
Statistical Officer (A18)	1	1	5,866
Senior Statistical Clerk (A16)	2	2	5,342
Assistant Stats Survey Officer (A14)	1	4	4,845
Surveyor (A20)	1	1	4,361
Draftsman (All)	1	1	4,178
Assistant Draftsman (All)	4	4	4,178
Subtotal	30	39	
<u>Crop Reporters:</u>			
II(A9/7)	9	10	4,125
I(A9/5)	40	50	3,980
Subtotal	49	60	
<u>Sub-professional Staff:</u>			
Survey Technician II(A14)	1	1	4,845
Survey Assistants (All)	4	4	4,178
Statistical Clerk (All)	1	2	4,178
Subtotal	6	7	
<u>Clerical Staff:</u>			
Proof Reader (All)	1	1	4,178
Typists (A9)	5	6	3,985
Clerks (A9/5)	2	2	3,788
Subtotal	8	9	
Grand Total	84	115	

* Salaries include estimated allowances.

Ministry of Economic Development - National Data Management Authority

Staffing Pattern

	<u>FY 80</u>	<u>FY 81-84</u>	<u>Salary Level FY 80</u> <u>Base* G\$</u>
<u>Professional Staff:</u>			
General Manager	1	1	26,784
Manager - Systems and Programming	1	1	19,454
Senior Analyst	1	2	17,194
Analyst	1	4	17,194
Programmers	4	8	9,360
Manager - Data Processing	1	1	19,454
Operations Section Head	1	1	12,442
Input-Output Section Head	1	1	12,442
	—	—	
Subtotal	11	19	
<u>Sub-professional Staff:</u>			
Computer Operator	1	1	9,048
Assistant Computer Operator	1	1	6,362
Data Preparation Supervisor	1	1	9,048
Librarian	1	1	9,048
	—	—	
Subtotal	4	4	
<u>Clerical Staff:</u>			
Secretary	1	1	6,890
Typist	1	1	5,390
Control Clerk	1	1	6,362
Operator Key/Punch - Diskette Consol	2	4	6,527
	—	—	
Subtotal	5	7	
	—	—	
Grand Total	20	30	
	—	—	

Salaries include estimated fringe benefits.

Estimated Cost of GOG Personnel and Operating Expenses

by Entity by Fiscal Year

(G\$000)

	<u>FY 80</u>	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>	<u>FY 84</u>	<u>TOTAL</u>
MOA/PD						
Salaries						
Professional Staff	165.0	265.7	265.7	265.7	265.7	1,227.8
Sub-professional Staff	15.9	25.9	25.9	25.9	25.9	119.5
Clerical Staff	34.7	46.3	46.3	46.3	46.3	219.9
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Subtotal	215.6	337.9	337.9	337.9	337.9	1,567.2
Operating Expenses	15.0	25.0	25.0	25.0	25.0	115.0
	-----	-----	-----	-----	-----	-----
Subtotal	230.6	362.9	362.9	362.9	362.9	1,682.2
Inflation (10%/annum)	-	36.3	76.2	120.1	168.4	401.0
	-----	-----	-----	-----	-----	-----
TOTAL	230.6	399.2	439.1	483.0	531.3	2,083.2
 MED/SB						
Salaries						
Professional Staff	332.4	438.3	438.3	438.3	438.3	2,085.6
Sub-professional Staff	25.7	29.9	29.9	29.9	29.9	145.3
Crop Reporters	196.3	240.2	240.2	240.2	240.2	1,157.1
Clerical Staff	31.7	35.7	35.7	35.7	35.7	174.5
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Subtotal	586.1	744.1	744.1	744.1	744.1	3,562.5
Operating Expenses	30.0	35.0	35.0	35.0	35.0	170.0
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Subtotal	616.1	779.1	779.1	779.1	779.1	3,732.5
Inflation (10%/annum)	-	77.9	163.6	257.9	361.6	1,861.0
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TOTAL	616.1	857.0	942.7	1,037.0	1,140.7	4,593.5

Estimated Cost of GOG Personnel and Operating Expenses

by Entity by Fiscal Year (contd.)

(G\$000)

	<u>FY 80</u>	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>	<u>FY 84</u>	<u>TOTAL</u>
MED/NDMA						
Salaries						
Professional Staff	162.4	268.6	268.6	268.6	268.6	1,236.8
Sub-professional Staff	33.5	33.5	33.5	33.5	33.5	167.5
Clerical Staff	31.7	44.7	44.7	44.7	44.7	210.5
	-----	-----	-----	-----	-----	-----
Subtotal	227.6	346.8	346.8	346.8	346.8	1,614.8
Operating Expenses*	105.0	250.0	450.0	450.0	450.0	1,705.0
	-----	-----	-----	-----	-----	-----
Subtotal	332.6	596.8	796.8	796.8	796.8	3,319.8
Inflation (10%/annum)	-	59.7	139.3	232.9	335.9	767.8
	-----	-----	-----	-----	-----	-----
TOTAL	332.6	656.5	936.1	1,029.7	1,132.7	4,087.6
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GRAND TOTAL GOG	1,179.3	1,912.7	2,317.9	2,549.7	2,804.7	510,764.3
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* See Breakdown on following page.

NDMA Operating Expense Breakdown

(G\$000)

	<u>FY 80</u>	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>	<u>FY 84</u>
Office Supplies	105.0	250.0	300.0	300.0	300.0
Computer Service Contract	-	*	100.0	100.0	100.0
Computer Software Charges	-	*	50.0	50.0	50.0
	<u>105.0</u>	<u>250.0</u>	<u>450.0</u>	<u>450.0</u>	<u>450.0</u>

* . Being provided by the AID Loan in the first year.

**Estimated Cost of GOG Personnel and Operating Expenses
by Entity by Fiscal Year
(US\$000)**

	<u>FY 80</u>	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>	<u>FY 84</u>	<u>TOTAL</u>
MOA/PD						
Salaries						
Professional Staff	64.4	103.6	103.6	103.6	103.6	478.8
Sub-professional Staff	6.2	10.1	10.1	10.1	10.1	46.6
Clerical Staff	13.5	18.0	18.0	18.0	18.0	85.5
Subtotal	84.1	131.7	131.7	131.7	131.7	610.9
Inflation (10%/annum)	-	13.2	27.7	43.6	61.1	145.6
Subtotal Personnel	84.1	144.9	159.4	175.3	192.8	756.5
Operating Expenses	5.8	9.8	9.8	9.8	9.8	45.0
Inflation (10%/annum)	-	1.0	2.0	3.2	4.5	10.7
Subtotal Operating Expenses	5.8	10.8	11.8	13.0	14.3	55.7
TOTAL MOA/PD	89.9	155.7	171.2	188.3	207.1	812.2
MED/SB						
Salaries						
Professional Staff	129.6	170.9	170.9	170.9	170.9	813.2
Sub-professional Staff	10.0	11.7	11.7	11.7	11.7	56.8
Crop Reporters	76.6	93.7	93.7	93.7	93.7	451.4
Clerical Staff	12.4	13.9	13.9	13.9	13.9	68.0
Subtotal	228.6	290.2	290.2	290.2	290.2	1,389.4
Inflation (10%/annum)	-	29.0	60.9	96.0	134.6	320.5
Subtotal Personnel	228.6	319.2	351.1	386.2	424.8	1,709.9
Operating Expenses	11.7	13.6	13.6	13.6	13.6	66.1
Inflation (10%/annum)	-	1.4	2.0	4.5	6.2	15.1
Subtotal Operating Expenses	11.7	15.0	16.5	18.1	19.9	81.2
TOTAL MED/SB	240.3	334.2	367.6	404.3	444.7	1,791.1

Project Title: **Additional Sector Planning 104-0011**

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS																																																																																									
<p>Program or Sector Goal: The broad objective to which this project contributes:</p> <p>To improve the standard of living of the rural population of Guyana.</p>	<p>Measures of Goal Achievement:</p> <p>Decrease in the percentage of rural farm households with net family income below the G\$5,000 in constant prices.</p>	<p>Completion of farm household survey (to be conducted during the project) results with those of the 1978 Rural Farm Household Survey.</p>	<p>Assumptions for achieving program targets:</p> <ol style="list-style-type: none"> 1. That weather and other uncontrollable variables will not adversely affect goal achievement. 2. GOG continues to pursue consistent rural development strategy. 																																																																																									
<p>Project Purpose:</p> <ol style="list-style-type: none"> 1. To institutionalize the capacity of the GOG for sustained, effective agricultural sector planning so as to develop policies, programs, projects and budgets designed to increase productivity and farmers income. 2. To institutionalize the capacity of the GOG to establish and maintain a broad set of policy-relevant baseline data to facilitate the design, implementation and evaluation of programs and projects. 	<p>Conditions met will indicate purpose has been achieved: End of project status.</p> <ol style="list-style-type: none"> 1. The Ministry of Agriculture (MA) will have reorganized in such a way as to give the planning unit the status required to deal effectively with all MA departments as well as state-owned corporations. 2. The planning unit will be fully staffed with trained professionals. 3. The planning unit will be more effectively budgeting, programming and evaluating sector activities. 4. The planning unit will be routinely producing relevant sector information. 5. The Statistics Bureau (SB) with the assistance of the Data Management Authority (DMA) will be effectively operating the computer center. 6. The SB will be routinely collecting, processing, reporting and maintaining a broad set of sector data. 	<p>MA records and reports.</p> <p>Observation by experts in the field.</p>	<p>Assumptions for achieving purpose:</p> <ol style="list-style-type: none"> 1. MA's planning unit and Ministry of Economic Development's Planning Bureau will be provided adequate budgetary support for staff and functional activities. 2. Planning unit and SB will be able to retain trained staff. 																																																																																									
<p>Outputs:</p> <ol style="list-style-type: none"> 1. 1982-83 Agriculture Sector Plan 2. Area and Production Estimates of Major Crops 3. Agriculture Sector Budget 4. Other Special Studies 5. Personnel Trained - in-country 6. Personnel Trained - off-shore 7. Functioning Computer Center 	<p>Magnitude of Outputs:</p> <p>1</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p>	<ol style="list-style-type: none"> 1.-6. MAAP and MA records. 7. On site inspection. 	<p>Assumptions for providing outputs:</p> <ol style="list-style-type: none"> 1. Adequate staff available for training and to serve as counterparts. 2. Suitable candidates available for training. 																																																																																									
<p>Inputs:</p> <table border="1"> <thead> <tr> <th></th> <th>EX 82</th> <th>EX 83</th> <th>EX 84</th> <th>EX 85</th> <th>EX 86</th> </tr> </thead> <tbody> <tr> <td>USAID</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1. Technical Assistance</td> <td>152.0</td> <td>40.5</td> <td>563.0</td> <td>176.0</td> <td>102.5</td> </tr> <tr> <td>2. Participant Training</td> <td>3.3</td> <td>10.2</td> <td>7.0</td> <td>5.7</td> <td>-</td> </tr> <tr> <td>3. Computer Hardware and related Equipment</td> <td>102.0</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Total USAID</td> <td>1,095.3</td> <td>621.7</td> <td>578.0</td> <td>323.7</td> <td>102.5</td> </tr> <tr> <td>GOG</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1. Personnel</td> <td>651.0</td> <td>618.9</td> <td>674.3</td> <td>751.0</td> <td>810.7</td> </tr> <tr> <td>2. Operating Expenses</td> <td>74.5</td> <td>153.1</td> <td>234.3</td> <td>264.3</td> <td>279.7</td> </tr> <tr> <td>3. Facilities</td> <td>12.8</td> <td>18.8</td> <td>18.8</td> <td>18.8</td> <td>18.8</td> </tr> <tr> <td>Total GOG</td> <td>512.8</td> <td>590.8</td> <td>617.4</td> <td>634.1</td> <td>619.2</td> </tr> </tbody> </table>		EX 82	EX 83	EX 84	EX 85	EX 86	USAID						1. Technical Assistance	152.0	40.5	563.0	176.0	102.5	2. Participant Training	3.3	10.2	7.0	5.7	-	3. Computer Hardware and related Equipment	102.0	-	-	-	-	Total USAID	1,095.3	621.7	578.0	323.7	102.5	GOG						1. Personnel	651.0	618.9	674.3	751.0	810.7	2. Operating Expenses	74.5	153.1	234.3	264.3	279.7	3. Facilities	12.8	18.8	18.8	18.8	18.8	Total GOG	512.8	590.8	617.4	634.1	619.2	<p>Implementation Target (Type and Quantity)</p> <table border="1"> <thead> <tr> <th></th> <th>EX 82</th> <th>EX 83</th> <th>EX 84</th> <th>EX 85</th> <th>EX 86</th> </tr> </thead> <tbody> <tr> <td>1. Committed and Contractor reports</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>2. MAAP Budget</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>3. MA disbursement records</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		EX 82	EX 83	EX 84	EX 85	EX 86	1. Committed and Contractor reports						2. MAAP Budget						3. MA disbursement records						<p>Assumptions for providing inputs:</p> <p>USAID and GOG funds are available as scheduled and personnel available.</p>
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SP9

MINISTRY OF AGRICULTURE

ANNEX 6

Cable Address: "MINFLAM"
Tel. No. 71591-8
Ref: No.

P.O. Box 1001,
Georgetown,
Guyana,
South America.



Miss Edna A. Boorady
Director
United States Agency for International
Development
Mission to Guyana

Dear Madam,

Agricultural Sector Planning Project

	Recd	Info
1979		
DIR:		✓
ASST/DIR:		✓
PRV:		✓
ASST/PRV:		
AGR:	✓	
CNS:		✓
CONT:		✓
ENG:		
EXT:		
GSD:		
HEALTH:		

As you are aware, the staff of this Ministry and particularly the Resource Development and Planning Division have been working with your staff and the U.S. Bureau of the Census in the development of the reference project. The purposes of the project are a) to institutionalize the capacity of the Government of Guyana for sustained, effective agricultural sector planning so as to develop policies, programs, projects and budgets designed to increase productivity and farmer income and b) to institutionalize the capacity of the Government of Guyana to establish and maintain a broad set of policy-relevant baseline data to facilitate the design, implementation and evaluation of programs and projects.

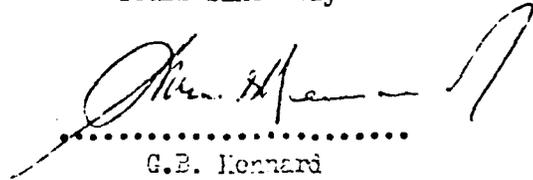
In accordance with the findings of the project team I have decided with immediate effect to redesignate the Resource Development and Planning Division as the Planning Department and to move it to a new level of responsibility reporting to me through the Permanent Secretary in the same way as the other three Departments of this Ministry i.e. the Agriculture Department, the Hydraulics Department and the Lands & Surveys Department. Cde. H. Naseer is the Head of this department and as such is the ministry's responsible officer for both the Agricultural Sector Planning Project and Rural Farm Household Survey. This Ministry is also committed to filling as early as possible all existing vacancies in the Planning Department.

ACTION TAKEN ✓	
TYPE	letter
BY	EB
DATE	6-4
FILED	Proj. 0077 6/4

- 2 -

I would now wish to formally request your organisation to fund this Project as indicated in the attached tables. If you wish to discuss this project further please do not hesitate to call me.

Yours sincerely



.....
G.B. Kennard
Minister of Agriculture

c.c. Chairman, State Planning Commission
Minister of Economic Development
Minister of Finance

Table I GRANT PORTION

	U.S. \$
Technical Assistance to the Planning Department, Statistical Bureau and National Data Management Authority	1,422,000
Participant Training	212,000
	1,634,000
Inflation	264,000
Total	1,898,000

Table II LOAN PORTION

Computer Hardware	638,100
Computer Software	12,391
Other related goods & services	105,500
	775,000
Contingencies and Inflation (16%)	125,000
Total	900,000

Loan Terms

Repayment

25 years repayment period
10 years grace period

Interest

2% interest during the grace period
3% interest during the repayment period.

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT AUTHORIZATION AND REQUEST FOR ALLOTMENT OF FUNDS PART I	1 TRANSACTION CODE <input type="checkbox"/> A ADD <input type="checkbox"/> C CHANGE <input type="checkbox"/> D DELETE <input checked="" type="checkbox"/> A	PAF 2 DOCUMENT CODE 5
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1 COUNTRY ENTITY Guyana	4 DOCUMENT REVISION NUMBER <input type="checkbox"/>
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3 PROJECT NUMBER (7 digits) [504-0077]	6 BUREAU OFFICE A SYMBOL B CODE LA [5]	7 PROJECT TITLE (Maximum 40 characters) [Agriculture Sector Planning]
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8 PROJECT APPROVAL DECISION ACTION TAKEN <input type="checkbox"/> A APPROVED <input type="checkbox"/> B DISAPPROVED <input type="checkbox"/> C DEAUTHORIZED	9 EST. PERIOD OF IMPLEMENTATION YRS [05] QTRS []
---	--

10 APPROVED BUDGET AID APPROPRIATED FUNDS (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH CODE		E. 1ST FY <u>80</u>		H. 2ND FY <u>81</u>		K. 3RD FY <u>82</u>	
		C. GRANT	D. LOAN	F. GRANT	G. LOAN	I. GRANT	J. LOAN	L. GRANT	M. LOAN
(1) FN	180	053	053	400	1,000	568	-	430	-
(2)		052	052						
(3)									
(4)									
TOTALS				400	1,000	568	-	430	-

A. APPROPRIATION	N. 4TH FY <u>83</u>		O. 5TH FY <u>84</u>		LIFE OF PROJECT		11. PROJECT FUNDING AUTHORIZED		A. GRANT	B. LOAN
	C. GRANT	D. LOAN	R. GRANT	S. LOAN	T. GRANT	U. LOAN	ENTER APPROPRIATE CODE(S): 1. LIFE OF PROJECT 2. INCREMENTAL LIFE OF PROJECT			
(1) FN	300	-	200	-	1,898	1,000			2	1
(2)										
(3)										
(4)										
TOTALS		300	-	200	-	1,898	1,000	C. PROJECT FUNDING AUTHORIZED THRU		FY [8 3]

12 INITIAL PROJECT FUNDING ALLOTMENT REQUESTED (\$000): A. APPROPRIATION B. ALLOTMENT REQUEST NO. _____ C. GRANT D. LOAN (1) FN 400 1,000 (2) (3) (4) TOTALS 400 1,000	13 FUNDS RESERVED FOR ALLOTMENT TYPED NAME (check SER FM ISD) SIGNATURE DATE
---	---

14. SOURCE ORIGIN OF GOODS AND SERVICES
 000 941 LOCAL OTHER 935 and 899

15. FOR AMENDMENTS, NATURE OF CHANGE REQUESTED

FOR PPC/PIAS USE ONLY	16. AUTHORIZING OFFICE SYMBOL	17. ACTION DATE			18. ACTION REFERENCE (Optional)	ACTION REFERENCE DATE		
		MM	DD	YY		MM	DD	YY

DRAFT PROJECT AUTHORIZATION AND REQUEST FOR ALLOTMENT OF FUNDS

PART 11

GUYANA: Agriculture Sector Planning

PROJECT: 504-0077

Pursuant to Part I, Chapter 1, Section 103 of the Foreign Assistance Act of 1961, as amended, I hereby authorize a Loan of not to exceed \$900,000 (Nine Hundred Thousand) United States Dollars and a Grant of not to exceed \$400,000 (Four Hundred Thousand) United States Dollars to Guyana, the "Cooperating Country" to help in financing foreign exchange costs of goods and services required for the project as described in the following paragraph.

The Agriculture Sector Planning project consists of a program to improve the Government of Guyana's agricultural sector planning capacity through the strengthening of three implementing entities, namely, the Planning Department of the Ministry of Agriculture and the Statistics Bureau and National Data Management Authority of the Ministry of Economic Development. This will be accomplished through long term and short term technical assistance to the three entities and the procurement of computer hardware and software and related goods and services. The entire amount of the A.I.D. financing herein authorized for the project will be obligated when the Project Agreement is executed.

I approve the total level of A.I.D. appropriated funding planned for this project of not to exceed Two Million, Seven Hundred and Ninety Eight Thousand United States Dollars (2,798,000), of which \$900,000 will be Loan funded and \$1,898,000 Grant funded including the funding authorized above, during the period FY 1979 through FY 1983. I approve Grant funding in increments during the period up to \$1,898,000, subject to the availability of funds in accordance with A.I.D. allotment procedures.

I hereby authorize the negotiation and execution of the Project Agreement by the officer to whom such authority has been delegated in accordance with A.I.D. Regulations and Delegations of Authority, subject to the following essential terms, covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate:

a. Interest Rate and Terms of Repayment

The Cooperating Country shall repay the Loan to A.I.D. in United States Dollars within twenty-five years from the date of first disbursement of the Loan, including a grace period of not to exceed ten (10) years. The Cooperating Country shall pay to A.I.D. in United States Dollars interest from the date of first disbursement of the Loan at the rate of (a) two percent (2%) per annum during the first ten (10) years, and (b) three percent (3%) per annum thereafter, on the outstanding disbursed balance of the Loan and on any due and unpaid interest accrued thereon.

b. Source and Origin of Goods and Services (Loan)

Except for Ocean Shipping, goods and services financed by A.I.D. for the project shall have their source and origin in countries included in A.I.D. Geographic Code 941 except as A.I.D. may otherwise agree in writing. Ocean Shipping financed under the Loan shall be procured in the United States or in the Cooperating Country, except as A.I.D. may otherwise agree in writing.

c. Source and Origin of Goods and Services (Grant)

Goods and services, including Ocean Shipping, financed by A.I.D. for the project under the Grant shall have their source and origin in the United States, except as A.I.D. may otherwise agree in writing.

A. Conditions Precedent to Initial Disbursement - Loan and Grant

Prior to any disbursement, or the issuance of any commitment documents under the Project Agreement, Borrower/Grantee shall furnish in form and substance satisfactory to A.I.D.

1. An opinion of legal representative of the Borrower acceptable to A.I.D. that the Project Agreement has been duly authorized and/or ratified by the Borrower and executed on its behalf and that it constitutes a legally binding obligation of the Borrower in accordance with all of its terms.
2. A statement and specimen signature of the person or persons acting as a representative of the Borrower for the purposes of the Project Agreement.

B. Conditions Precedent to Disbursement for Equipment - Loan

Prior to any disbursement, or the issuance of any commitment documents under the Project Agreement to finance equipment and related goods and services, Borrower/Grantee shall furnish in form and substance satisfactory to A.I.D. (a) a list of the proposed equipment and related goods and services and (b) a copy of the proposed contract(s) for computer hardware and services for prior A.I.D. approval.

C. Special Covenants

The Borrower/Grantee shall covenant that:

- a. all contractual agreements for technical services will include a clause requiring A.I.D. approval prior to initiation of travel by any technicians financed under this project in order to insure that counterpart personnel are available to work with project financed advisors;
- b. the vacant positions existing in Statistics Bureau, Planning Department and National Data Management Authority will be promptly filled with competent staff; and
- c. adequate operational budgets will be provided to the Statistics Bureau, Planning Department and National Data Management Authority to implement this project.

D. Waiver

The procurement of computer hardware and related goods and services is to be financed by A.I.D. under the Loan.

- a. Approval is hereby given to procure IBM computer hardware and related accessories since it is the only U.S. supplier which will make the requisite technical equipment available in Guyana, and IBM has the required installation and maintenance capability in Guyana.
- b. A source/origin waiver is also approved to permit procurement of the equipment from Code 935 countries since the IBM equipment components are not manufactured in Code 941 countries.

- c. A source/origin waiver is approved to permit shipping on vessels of Code 899 countries since there are no U.S. or flag vessels of Code 941 countries maintaining regular services to Guyana at the present time or within the near future when procurement and shipment of the computer from Code 935 countries is to be undertaken.

Assistant Administrator

Date



UNITED STATES OF AMERICA
AGENCY FOR INTERNATIONAL DEVELOPMENT

Annex 8

MISSION TO GUYANA

P.O. BOX 25
65 MAIN STREET
GEORGETOWN, GUYANA
TEL. 63206

Certification Pursuant to
Section 611 (e) of the
Foreign Assistance Act of
1961, as amended

I, Edna A. Boorady, the principal officer of the Agency for International Development in Guyana, certify that to the best of my knowledge and belief Guyana possesses both the financial capability and human resources to effectively maintain and utilize the proposed Agriculture Sector Planning Project.

This judgement is based primarily on the facts developed in the Project Paper for the proposed loan of \$900,000 and proposed grant of \$1,898,000, and takes into account, among other things, the maintenance and utilization of projects in Guyana previously financed or assisted by the United States.

Date: June 7, 1979


Edna A. Boorady
Director
USAID/Guyana

LAC/...-79 22

ENVIRONMENTAL IMPACT STATEMENT

Location : Guyana
Project Title : Agricultural Sector Planning, 504-0077
Funding : FY 79, US\$530,000 Loan; FY 79, US\$519,000 Grant, FY 80,
US\$566,000 Grant, FY 81, US\$435,000 Grant
Life of Project: Three Years

Mission Recommendation:

Based on the Initial Environmental Examination, the Mission has concluded that the project will not have a significant effect on the human environment and therefore recommends a Negative Determination.

The Development Assistance Executive Committee of the Bureau for Latin America and the Caribbean has reviewed the Initial Environmental Examination for this project and concurs in the Mission's recommendation for a Negative Determination.

AI/LAC Decision:

Pursuant to the authority vested in the Assistant Administrator for Latin America and the Caribbean under Title 22, Part 219.4a, Environmental Procedures, and based upon the above recommendation, I hereby determine that the proposed project is not an action which will have a significant effect on the human environment, and therefore, is not an action for which an Environmental Impact Statement or an Environmental Assessment will be required.

/s/ Edward E. Coy

Assistant Administrator for
Latin America and the Caribbean

JUN 18 1979

Date

Clearances:

LAC/LR: Environmental Advisor: Otto _____
DAEC Chairman: Brown _____

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LAC/DR: RJ Hausman _____
LAC/DR: ROtto _____

INITIAL ENVIRONMENTAL EXAMINATION

Project Location: Guyana

Project Title: Agricultural Sector Planning

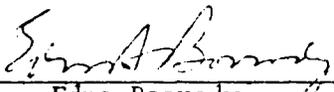
Funding: FY 79 US\$530,000 Loan
FY 79 US\$444,000 Grant
FY 80 US\$568,000 Grant
FY 81 US\$435,000 Grant

Life of Project: Three Years

IEE Prepared by: Dan F. Miller, Jr. June 7, 1978
Chief Engineer, USAID/Georgetown

Environmental Action Recommended:

Because the Project by its general nature entails activities only in (a) information gathering and surveys (b) analyses and (c) planning, there is little or no impact on the environment. Therefore, and in accordance with Section V, B, 1, of Guideline for Preparation of Initial Environmental Examination, dated August 1976, EA is not required.


Edna Poorady
Director

Date: June 7, 1978

Clearances:

RDO:GEason (in draft)
PRM:NMariani (in draft)

SC(2) - PROJECT CHECKLIST

Listed below are statutory criteria applicable generally to projects with FAA funds and project criteria applicable to individual fund sources: Development Assistance (with a subcategory for criteria applicable only to loans); and Economic Support Fund.

CROSS REFERENCES: Country Checklist has been submitted for the Rural Health Systems Project, Project No. 304-0066 in May 1979.

A. GENERAL CRITERIA FOR PROJECT

- | | |
|---|---|
| <p>1. <u>FY 79 App. Act Unnumbered; FAA Sec. 653(b); Sec. 634A.</u> (a) Describe how Committees on Appropriations of Senate and House have been or will be notified concerning the project; (b) is assistance within (Operational Year Budget) country or international organization allocation reported to Congress (or not more than \$1 million over that figure)?</p> | <p>(a) The Project was not included in A.I.D.'s FY 79 Congressional Presentation; the Committees will be notified by letter of the Project and proposed funding.</p> <p>(b) Assistance is not within OYB.</p> |
| <p>2. <u>FAA Sec. 611(a)(1).</u> Prior to obligation in excess of \$100,000, will there be (a) engineering, financial, and other plans necessary to carry out the assistance and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?</p> | <p>(a) Preliminary financial and other plans have been developed, and</p> <p>(b) A reasonably firm estimate of costs have been developed.</p> |
| <p>3. <u>FAA Sec. 611(a)(2).</u> If further legislative action is required within recipient country, what is basis for reasonable expectation that such action will be completed in time to permit orderly accomplishment of purpose of the assistance?</p> | <p>No further legislative action will be required with the exception of ratification of the Loan Agreement by the Parliament. There is reasonable expectation that Parliament will ratify the Loan Agreement.</p> |
| <p>4. <u>FAA Sec. 611(b); FY 79 App. Act Sec. 101.</u> If for water or water-related land resource construction, has project met the standards and criteria as per the Principles and Standards for Planning Water and Related Land Resources dated October 25, 1973?</p> | <p>Not Applicable.</p> |
| <p>5. <u>FAA Sec. 611(e).</u> If project is capital assistance (e.g., construction), and all U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability effectively to maintain and utilize the project?</p> | <p>Mission Director has so certified and the Regional Assistant Administrator will take this into consideration before authorizing the Project.</p> |
| <p>6. <u>FAA Sec. 209.</u> Is project susceptible of execution as part of Regional or multilateral project? If so why is project not so executed? Information and conclusion whether assistance will encourage regional development programs.</p> | <p>No. Project purpose is to strengthen GOG institutions and is not susceptible to execution as a regional project.</p> |

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7. FAA Sec. 601(a). Information and conclusions whether project will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.
8. FAA Sec. 601(b). Information and conclusion on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).
9. FAA Sec. 612(b); Sec. 636(n). Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized to meet the cost of contractual and other services.
10. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release?
11. FAA Sec. 601(c). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise?
12. FY 79 App. Act Sec. 608. If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity?

The Project through improved Agriculture Sector Planning is expected to result in improved allocation of Government resources thereby increasing technical efficiency and increasing exports from the Sector.

Portions of the Loan will be earmarked for procurement of U.S. goods and services.

The GOG has agreed to meet the counterpart contributions for the Project which will be at least 25% of the Project cost.

No. U.S. does not own excess foreign currency.

Yes.

Not Applicable.

3. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria
- a. FAA Sec. 102(b) 111-113, 151a. Extent to which activity will effectively involve the poor in development, by extending access to economy at local level, increasing labor-intensive production and the use of appropriate

The Project will result in improved Agriculture Sector programs designed to overcome constraints of small farmers.

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technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (b) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries?

b. FAA Sec. 103, 103A, 104, 105, 106, 107. Is assistance being made available: (include only applicable paragraph which corresponds to source of funds used. If more than one fund source is used for project, include relevant paragraph for each fund source.)

(1) [103] for agriculture, rural development or nutrition; if so, extent to which activity is specifically designed to increase productivity and income of rural poor; [103A] if for agricultural research, is full account taken of needs of small farmers;

The Project is designed to lead toward improved programs for stimulating the production efforts of small farmers and thus increase productivity and income of the rural poor.

(2) [104] for population planning under sec. 104(b) or health under sec. 104(c); if so, extent to which activity emphasizes low-cost, integrated delivery systems for health, nutrition and family planning for the poorest people, with particular attention to the needs of mothers and young children, using paramedical and auxiliary medical personnel, clinics and health posts, commercial distribution systems and other modes of community research.

Not Applicable.

(3) [105] for education, public administration, or human resources development; if so, extent to which activity strengthens nonformal education, makes formal education more relevant especially for rural families and urban poor, or strengthens management capability of institutions enabling the poor to participate in development.

Not Applicable.

(4) [106] for technical assistance, energy, research, reconstruction, and selected development problems: if so, extent activity is:

Not Applicable.

(i) technical cooperation and development, especially with U.S. private and voluntary, or regional and international development, organizations:

(ii) to help alleviate energy problems:

(iii) research into, and evaluation of, economic development processes and techniques:

(iv) reconstruction after natural or manmade disaster:

(v) for special development problem, and to enable proper utilization of earlier U.S. infrastructure, etc., assistance:

(vi) for programs of urban development, especially small labor-intensive enterprises, marketing systems, and financial or other institutions to help urban poor participate in economic and social development.

c. [107] Is appropriate effort placed on use of appropriate technology?

Yes, with regard to data processing equipment needed for the Project.

d. FAA Sec. 110(a). Will the recipient country provide at least 33% of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or has the latter cost-sharing requirement been waived for a "relatively least-developed" country)?

Yes, the GOC will provide at least 25% of the costs of the Project.

e. FAA Sec. 110(b). Will grant capital assistance be disbursed for project over more than 3 years? If so, has justification satisfactory to Congress been made, and efforts for other financing, or is the recipient country "relatively least developed"?

Yes. Grant capital assistance will be disbursed over a five year period and will be so described in the notification to the Congress.

f. FAA Sec. 281(b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civil education and training in skills required for effective participation in governmental and political processes essential to self-government.

The Project is designed to build on the existing capability of the people and through training and technical advisory services to strengthen the planning capability of the Ministry of Agriculture for the Agricultural Sector.

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g. FAA Sec. 122(b). Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth?

Yes. By improving the capability of the GOC to plan, monitor and evaluate the Agriculture Sector, more efficient use of economic resources should result. This should assist in reaching self-sustaining economic growth.

2. Development Assistance Project Criteria (Loans Only)

a. FAA Sec. 122(b). Information and conclusion on capacity of the country to repay the loan, including reasonableness of repayment prospects.

Guyana has the capacity to repay the Loan. It has negotiated with the IMF for an EFF and prospects of economic recovery as a result of its fiscal and monetary reforms are considered good.

b. FAA Sec. 620(d). If assistance is for any productive enterprise which will compete in the U.S. with U.S. enterprise, is there an agreement by the recipient country to prevent export to the U.S. of more than 20% of the enterprise's annual production during the life of the loan?

Not Applicable.

3. Project Criteria Solely for Economic Support Fund

a. FAA Sec. 531(a). Will this assistance support promote economic or political stability? To the extent possible, does it reflect the policy directions of section 102?

Not Applicable. Guyana is receiving a Development Assistance Loan.

b. FAA Sec. 533. Will assistance under this chapter be used for military, or paramilitary activities?

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5C (3) - STANDARD ITEM CHECKLIST

Listed below are statutory items which normally will be covered routinely in those provisions of an assistance agreement dealing with its implementation, or covered in the agreement by imposing limits on certain uses of funds.

These items are arranged under the general headings of (A) Procurement, (B) Construction, and (C) Other Restrictions.

A. Procurement

1. FAA Sec. 602. Are there arrangements to permit U.S. small business to participate equitably in the furnishing of goods and services financed? Yes.
2. FAA Sec. 604(a). Will all commodity procurement financed be from the U.S. except as otherwise determined by the President or under delegation from him? Yes.
3. FAA Sec. 604(d). If the cooperating country discriminates against U.S. marine insurance companies, will agreement require that marine insurance be placed in the U.S. on commodities financed? GOC does not discriminate against U.S. marine companies.
4. FAA Sec. 604(e). If offshore procurement of agricultural commodity or product is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? Not Applicable.
5. FAA Sec. 608(a). Will U.S. Government excess personal property be utilized wherever practicable in lieu of the procurement of new items? Yes.
6. FAA Sec. 603. (a) Compliance with requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 per centum of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S.-flag commercial vessels to the extent that such vessels are available at fair and reasonable rates. Yes.
7. FAA Sec. 621. If technical assistance is financed, will such assistance be furnished to the fullest extent practicable as goods and professional and other services from private enterprise on a contract basis? If the facilities Yes.

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of other Federal agencies will be utilized, are they particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs?

Yes.

8. International Air Transport. Fair Competitive Practices Act, 1974. If air transportation of persons or property is financed on grant basis, will provision be made that U.S.-flag carriers will be utilized to the extent such service is available?

Yes.

9. FY 79 App. Act Sec. 105. Does the contract for procurement contain a provision authorizing the termination of such contract for the convenience of the United States?

Yes.

B. Construction

1. FAA Sec. 601(d). If a capital (e.g., construction) project, are engineering and professional services of U.S. firms and their affiliates to be used to the maximum extent consistent with the national interest?

Yes.

2. FAA Sec. 611(c). If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable?

Yes.

3. FAA Sec. 620(k). If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed \$100 million?

Not Applicable.

C. Other Restrictions

1. FAA Sec. 122(a). If development loan, is interest rate at least 2% per annum during grace period and at least 3% per annum thereafter?

Yes.

2. FAA Sec. 301(d). If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights?

Not Applicable.

3. FAA Sec. 520(h). Do arrangements preclude promoting or assisting the foreign aid projects or activities of Communist-bloc countries, contrary to the best interests of the U.S.?

The Project will not promote or assist foreign aid projects/activities of Communist bloc countries.

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- 4. FAA Sec. 616(i). Is financing not permitted to be used, without waiver, for purchase, long-term lease, or exchange of motor vehicles manufactured outside the U.S., or guaranty of such transaction? Yes.

- 5. Will arrangements preclude use of financing:
 - a. FAA Sec. 104(f). To pay for performance of abortions or to motivate or coerce persons to practice abortions, to pay for performance of involuntary sterilization, or to coerce or provide financial incentive to any person to undergo sterilization? Yes.

 - b. FAA Sec. 620(g). To compensate owners for expropriated nationalized property? Yes.

 - c. FAA Sec. 660. To finance police training or other law enforcement assistance, except for narcotics programs? Yes.

 - d. FAA Sec. 662. For CIA activities? Yes.

 - e. FY 79 App. Act Sec. 104. To pay pensions, etc., for military personnel? Yes.

 - f. FY 79 App. Act Sec. 106. To pay U.N. assessments? Yes.

 - g. FY 79 App. Act Sec. 107. To carry out provisions of FAA sections 209(d) and 251(h)? (Transfer of FAA funds to multilateral organizations for landing.) Yes.

 - h. FY 79 App. Act Sec. 112. To finance the export of nuclear equipment, fuel, or technology or to train foreign nations in nuclear fields? Yes.

 - i. FY 79 App. Act Sec. 601. To be used for publicity on propaganda purposes within U.S. not authorized by Congress? Yes.

A.I.D. Project No. 504-0077

A.I.D. Loan No. 504-T-017

Conformed Copy

PROJECT LOAN AND GRANT AGREEMENT

between

GUYANA

and the

UNITED STATES OF AMERICA

for

AGRICULTURE SECTOR PLANNING

Date: March 8, 198

Table of Contents

PROJECT LOAN AND GRANT AGREEMENT

	<u>Page</u>
Article 1. The Agreement	1
Article 2. The Project	1
SECTION 2.1. Definition of Project	1, 2
SECTION 2.2. Incremental Nature of Project	2
Article 3. Financing	3
SECTION 3.1. The Loan and Grant	3
SECTION 3.2. Cooperating Country Resources for the Project	3, 4
SECTION 3.3. Project Assistance Completion Date	4
Article 4. Loan Terms	5
SECTION 4.1. Interest	5
SECTION 4.2. Repayment	5
SECTION 4.3. Application, Currency, and Place of Payment	6
SECTION 4.4. Prepayment	6
SECTION 4.5. Renegotiation of Terms	6, 7
SECTION 4.6. Termination on Full Payment	7
Article 5. Conditions Precedent to Disbursement	8
SECTION 5.1. Conditions Precedent to Initial Disbursement	8
SECTION 5.2. Conditions Precedent to Disbursement for Equipment - Loan	9
SECTION 5.3. Conditions Precedent to Subsequent Disbursements	9
SECTION 5.4. Notification of Meeting Conditions Precedent	10
SECTION 5.5. Terminal Dates for Conditions Precedent	10, 11

	<u>Page</u>
Article 6. Special Covenants	11
SECTION 6.1. Project Evaluation	11, 12
SECTION 6.2. Travel by Contract Technicians	12
SECTION 6.3. Staff for Participating Agencies	12
SECTION 6.4. Adequate Operational Budgets	12
Article 7. Procurement Source	13
SECTION 7.1. Foreign Exchange Costs	13, 14
Article 8. Disbursements	14
SECTION 8.1. Disbursement for Foreign Exchange Costs	14, 15
SECTION 8.2. Other Forms of Disbursement	15
SECTION 8.3. Rate of Exchange	15
SECTION 8.4. Date of Disbursement	16
Article 9. Miscellaneous	16
SECTION 9.1. Communications	16
SECTION 9.2. Representatives	17
SECTION 9.3. Standard Provisions Annex	17
 Annex 1	
I. GOAL AND PURPOSE	1
II. PROJECT COMPONENTS	1
1) The Establishment of the Computer Center	1, 2
2) Strengthening of the Statistics Bureau of the Ministry of Economic Development	2
3) Strengthening of the Planning Department of the Ministry of Agriculture	2, 3
4) Strengthening of the National Data Management Authority	3
III. ADMINISTRATION OF THE PROGRAM	3
1) Responsibility of the Planning Department of the Ministry of Agriculture	3, 4
2) Responsibilities of the Statistics Bureau	4, 5
3) Responsibilities of the National Data Management Authority	5, 6
4) Delegation of Responsibilities	6
5) Procurement of Services	7

	<u>Page</u>
IV. FINANCIAL PLAN	8
Annex 2. Combined Loan and Grant Standard Provisions Annex	1
Definitions	1
Article A. Project Implementation Letters	1
Article B. General Covenants	2
SECTION B.1. Consultation	2
SECTION B.2. Execution of Project	2
SECTION B.3. Utilization of Goods and Services	3
SECTION B.4. Taxation	3, 4
SECTION B.5. Reports, Records, Inspections, Audit	4, 5
SECTION B.6. Completeness of Information	5
SECTION B.7. Other Payments	5, 6
SECTION B.8. Information and Marking	6
Article C. Procurement Provisions	6
SECTION C.1. Special Rules	6, 7
SECTION C.2. Eligibility Date	7
SECTION C.3. Plans, Specifications and Contracts	7, 8
SECTION C.4. Reasonable Price	9
SECTION C.5. Notification to Potential Suppliers	9
SECTION C.6. Shipping	9, 11
SECTION C.7. Insurance	11, 12
SECTION C.8. U.S. Government-owned Excess Property	12
Article D. Termination; Remedies	12
SECTION D.1. Cancellation by Cooperating Country	12
SECTION D.2. Events of Default; Acceleration	13
SECTION D.3. Suspension	13, 15
SECTION D.4. Cancellation by A.I.D.	15
SECTION D.5. Continued Effectiveness of Agreement	15
SECTION D.6. Refunds	15, 17
SECTION D.7. Nonwaiver of Remedies	17
SECTION D.8. Assignment	17

Project Loan and Grant Agreement

AGRICULTURE SECTOR PLANNING

Dated: March 8, 1980

Between

The Government of Guyana ("Cooperating Country")

And

The United States of America, acting through the
Agency for International Development ("A.I.D.").

Article 1. The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Cooperating Country of the Project described below, and with respect to the financing of the Project by the Parties.

Article 2. The Project

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will consist of the improvement and strengthening of agriculture sector planning capacity in Guyana through the provision of technical assistance, participant training and the establishment of a computer center. Annex 1, attached, amplifies the above definition of the Project.

Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 9.2 without formal amendment of this Agreement. Annex 1 will identify those elements of the Project for which Grant financing will be employed, and those for which Loan financing will be employed.

SECTION 2.2. Incremental Nature of Project

(a) A.I.D.'s Grant contribution to the Project will be provided in increments, the initial one being made available in accordance with Section 3.1 of this Agreement. Subsequent increments of Grant funds will be subject to the availability of funds to A.I.D. for this purpose, and to the mutual agreement of the Parties, at the time of a subsequent increment, to proceed.

(b) Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D., based upon consultation with the Cooperating Country, may specify in Project Implementation Letters appropriate time periods for the utilization of funds granted by A.I.D. under an individual increment of assistance.

Article Financing

SECTION 3.1. The Loan and Grant. To assist the Cooperating Country to meet the costs of carrying out the project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended, agrees to lend the Cooperating Country under the terms of this Agreement not to exceed One Million U.S. Dollars (\$1,000,000) ("Loan"), and to grant the Cooperating Country under the terms of this Agreement not to exceed Four Hundred Thousand United States ("U.S.") Dollars (\$400,000) ("Grant"). The aggregate amount of disbursements under the Loan is referred to as "Principal". The Loan and the Grant together are referred to as the "Assistance". The Loan and the Grant may be used only to finance foreign exchange costs, as defined in Section 7.1 of goods and services required for the Project.

SECTION 3.2. Cooperating Country Resources for the Project.

(a) The Cooperating Country agrees to provide or cause to be provided for the Project all funds, in addition to the Assistance, and all other resources required to carry out the Project effectively and in a timely manner in accordance with the objectives of this Agreement.

(b) The resources provided by the Cooperating Country for the Project will be not less than the equivalent of U.S. \$2,046,096 including costs borne on an

"in-kind" basis.

SECTION 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (P.ACD), which is December 31, 1984, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Assistance will have been performed and all goods financed under the Assistance will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Assistance for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Cooperating Country, may at any time or times reduce the amount of the Assistance by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4. Loan Terms

SECTION 4.1. Interest. The Cooperating Country will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten (10) years following the date of the first disbursement of the Loan hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.4) of each respective disbursement, and will be computed on the basis of a 365 day year. Interest will be payable semi-annually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement of the Loan hereunder, on a date to be specified by A.I.D.

SECTION 4.2. Repayment. The Cooperating Country will repay to A.I.D. the Principal within twenty-five (25) years from the date of the first disbursement of the Loan in thirty-one (31) approximately equal semi-annual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9½) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Cooperating Country with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECTION 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. Dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

SECTION 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Cooperating Country may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity.

SECTION 4.5. Renegotiation of Terms.

(a) The Cooperating Country and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of Guyana which enable the Cooperating Country to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.1, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.1, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under subsection (c). The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of the Cooperating Country's Ministry of Agriculture.

SECTION 4.6. Termination on Full Payment.

Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Cooperating Country and A.I.D. relating to the Loan provisions of this Agreement will cease, provided that, with respect to any obligations arising out of the expenditure of Grant funds, this Agreement will remain in full force and effect until such obligations are fulfilled.

Article 5. Conditions Precedent to Disbursement

SECTION 5.1. Conditions Precedent to Initial Disbursement. Prior to the first disbursement of the Assistance, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Cooperating Country will, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) An opinion of the Attorney General of Guyana or other counsel acceptable to A.I.D. that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Cooperating Country and that it constitutes a valid and legally binding obligation of the Cooperating Country in accordance with all of its terms;

(b) A statement of the names of the persons holding or acting in the office of the Cooperating Country specified in Section 9.2, and a specimen signature of each person in such statement;

(c) An implementation plan for the first year of Project activities including procurement of commodities, technical assistance, training and staffing and budget information.

SECTION 5.2. Conditions Precedent to Disbursement for Equipment - Loan. Prior to any disbursement, or the issuance of any commitment documents under this Agreement to finance the procurement of equipment and related goods and services, the Cooperating Country shall furnish in form and substance satisfactory to A.I.D.:

- (a) a list of the proposed equipment and related goods and services;
- (b) a comprehensive plan for computer procurement, installation and initial operation including procurement procedures, sites, staffing, system support services and maintenance; and
- (c) a copy of the proposed contract(s) for computer hardware and services for prior A.I.D. approval.

SECTION 5.3. Conditions Precedent to Subsequent Disbursements. Prior to any disbursement or issuance of any commitment documents to finance Project activities during the twelve-month periods commencing on March 1, 1981, 1982, 1983 and 1984, respectively, the Cooperating Country shall, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D., an implementation plan for Project activities for each such year, such plan to include staffing and budget information.

SECTION 5.4. Notification of Meeting Conditions

Precedent. When A.I.D. has determined that the conditions precedent specified in Sections 5.1, 5.2 and 5.3 have been met, it will promptly notify the Cooperating Country with respect to each Section.

SECTION 5.5. Terminal Dates for Conditions

Precedent.

(a) If all of the conditions specified in Section 5.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option may terminate this Agreement by written notice to the Cooperating Country.

(b) If all of the conditions specified in Section 5.2 in respect to the proposed contract for procurement of the computer have not been met within 180 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D. at its option, may cancel the then undisbursed balance of the Assistance, to the extent not irrevocably committed to third parties, and may terminate this Agreement by written notice to the Cooperating Country. In the event of such termination, the Cooperating Country will repay immediately the Principal then outstanding any any accrued interest; on receipt by A.I.D. of such payments in full, this Agreement and all obligations of the Parties hereunder will terminate,

except with respect to any obligations arising out of the expenditure of Grant funds.

(c) If all of the conditions specified in Section 5.3 for submitting each annual implementation plan have not been met by April 1 of each year, or such later date as A.I.D. may agree to in writing, A.I.D. at its option may then cancel the then undisbursed balance of the Assistance, to the extent not irrevocably committed to third parties, and may terminate this Agreement by written notice to the Cooperating Country. In the event of such termination, the Cooperating Country will repay immediately the Principal then outstanding and any accrued interest; on receipt by A.I.D. of such payments in full, this Agreement and all obligations of the Parties hereunder will terminate, except with respect to any obligations arising out of the expenditure of Grant funds.

Article 6: Special Covenants

SECTION 6.1. Project Evaluation. The Parties agree to establish an evaluation program as an integral part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project at least annually: (a) evaluation of progress toward attainment of the objectives of the Project; (b) identification and evaluation of problem areas or constraints which may inhibit such attainment; (c) assessment of how such information may be used to help overcome such

problems; and (d) evaluation, to the degree feasible, of the overall development impact of the Project.

SECTION 6.2. Travel by Contract Technicians.

The Cooperating Country covenants that all contractual agreements for technical services will include a clause requiring A.I.D. approval prior to initiation of travel by any technicians financed under this Project in order to insure that counterpart personnel are available to work with Project financed advisors.

SECTION 6.3. Staff for Participating Agencies.

The Cooperating Country covenants to promptly fill with competent staff the vacant positions existing in the Statistics Bureau, Planning Department and National Data Management Authority.

SECTION 6.4. Adequate Operational Budgets.

The Cooperating Country covenants to provide adequate operational budgets to the Statistics Bureau, Planning Department and National Data Management Authority to implement this Project including identification of the nature and amount of resources and financing annually provided.

Article 7. Procurement Source

SECTION 7.1. Foreign Exchange Costs.

(a) Disbursements under the Loan pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services, and disbursements under the Grant pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods or services) ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

(b) Except as A.I.D. may otherwise agree in writing, ocean shipping will be financed under the Loan only on vessels under flag registry of U.S. or Guyana. If A.I.D. determines either that there are no vessels of flag registry of Guyana generally available for ocean transportation, or that Guyana has no access to U.S. flag service, A.I.D. in a Project Implementation Letter, may agree to finance under the Loan ocean transportation costs

on vessels of other flag registry. Ocean transportation costs financed by the Grant shall be on vessels under flag registry of the United States, except as A.I.D. may otherwise agree in writing.

Article 8. Disbursements

SECTION 8.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Cooperating Country may obtain disbursements of funds under the Loan or the Grant for the Foreign Exchange Costs, as defined in Section 7.1, of goods and services required for the Project in accordance with the terms of the Agreement by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or, (B) requests for A.I.D. to procure commodities or services in the Cooperating Country's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such

goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers, through Letters of Credit or otherwise, for such goods or services.

(b) Banking charges incurred by the Cooperating Country in connection with Letters of Commitment and Letters of Credit funded under the Loan or the Grant will be financed respectively under the Loan or the Grant unless the Cooperating Country instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Loan or the Grant.

SECTION 8.2. Other Forms of Disbursement.

Disbursements of the Loan or the Grant may also be made through such other means as the Parties may agree to in writing.

SECTION 8.3. Rate of Exchange. If funds provided under the Loan or the Grant are introduced into Guyana by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Cooperating Country will make such arrangements as may be necessary so that such funds may be converted into currency of Guyana at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Guyana.

SECTION 8.4, Date of Disbursement.

Disbursements of the Loan or Grant by A.I.D. will be deemed to occur on the date on which A.I.D. makes a disbursement to the Cooperating Country or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment or Credit.

Article 9. Miscellaneous

SECTION 9.1. Communications. Any notice, request, document or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such Party at the following address:

To the Cooperating Country:

Mail Address:	Minister of Agriculture Vlissengen Road Georgetown, Guyana
Address for Cables:	MINFLAM Georgetown, Guyana

To A.I.D.:

Mail Address:	U.S.A.I.D. Mission to Guyana P.O. Box 25 Georgetown, Guyana
Address for Cables:	USAID, American Embassy Georgetown, Guyana.

Other addresses may be substituted for the above upon the giving of notice.

SECTION 9.2. Representatives. For all purposes relevant to this Agreement, the Cooperating Country will be represented by the individual holding or acting in the office of Minister of Agriculture, and A.I.D. will be represented by the individual holding or acting in the office of Director, USAID Mission to Guyana, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Cooperating Country, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

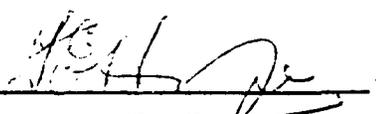
SECTION 9.3. Standard Provisions Annex.

A "Combined Loan and Grant Standard Provisions Annex" (Annex 2) is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Cooperating Country and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

GUYANA

In Presence of:

By: 

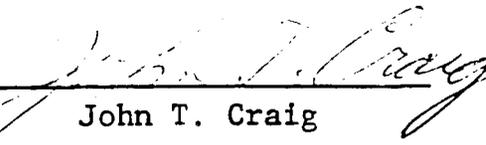
Frank E. Hope


Ivan S. Hamilton
Deputy Secretary to
the Treasury

Title: Minister of Finance

UNITED STATES OF AMERICA

In Presence of:

By: 

John T. Craig


George B. Roberts, Jr.
Ambassador

Title: Acting Director, USAID Mission
to Guyana

PROJECT AGREEMENTAGRICULTURE SECTOR PLANNING PROJECTI. GOAL AND PURPOSE

The overall project goal is to improve the standard of living of the rural population. This goal will be accomplished through better agriculture sector program development and better management of sector resources as a result of an improved sector planning/budgeting system. The project purposes are (a) to institutionalize the capacity of the GOC for sustained, effective agricultural sector planning so as to develop policies, programs, projects and budgets designed to increase productivity and farmer income; and (b) to institutionalize the capacity of the GOC to establish and maintain a broad set of policy-relevant baseline data to facilitate the design, implementation and evaluation of programs and projects.

II. PROJECT COMPONENTS

Project purposes will be achieved through execution of the following activities:

(1) The Establishment of the Computer Center

This project will provide financing and technical assistance and training for the establishment of a national computer center dedicated to the maintenance and analysis of social and economic data for the country. Primary emphasis of

this project will be placed on the development, analysis and maintenance of an agricultural sector data base, but the computer center will have a broader use than just the agricultural sector. The computer center will be established on the campus of the University of Guyana and the National Data Management Authority will have operational responsibilities for the center. The Statistics Bureau of the Ministry of Economic Development will determine work priorities for the computer.

(2) Strengthening of the Statistics Bureau of the Ministry of Economic Development.

This project will provide financial and technical assistance to aid the Statistics Bureau in fulfilling its functions of collecting information required for agriculture sector planning. This will include the design of surveys to be conducted, the design of new sample frames to be used, the development of questionnaire, questionnaire design, questionnaire testing, field work and assisting the National Data Management Authority in editing and tabulation specifications and in data processing. The project will provide technical assistance in the areas of surveys, mathematical statistics and data processing.

(3) Strengthening of the Planning Department of the Ministry of Agriculture

The project will provide technical assistance to the Planning Department of the Ministry of Agriculture to assist that department in carrying out its activities and responsibilities. These activities and responsibilities include economic research, farm management analysis, agricultural livestock production

estimates, planning/budgeting and project development, monitoring and evaluation and marketing and trade analysis and projections. Technical assistance will be provided to strengthen the Planning Department in each of its areas of major responsibility.

(4) Strengthening the National Data Management Authority.

The project will also provide technical assistance to the National Data Management Authority to assist the Data Management Authority in establishing the computer center and developing the basic programs for management of the large data base for the agriculture sector.

III. ADMINISTRATION OF THE PROGRAM

(1) Responsibility of the Planning Department of the Ministry of Agriculture

The overall administration of the project will rest with the Chief of the Planning Department of the Ministry of Agriculture. This individual will, in collaboration with the National Data Management Authority finalize the list of equipment for the computer center and initiate procurement as soon as possible after implementation of the project begins. This is an extremely important step in this project because of the relatively long lead time in procurement of the equipment necessary for the establishment of the computer center. In addition, the

Chief of the Planning Department will be responsible for coordination with the National Data Management Authority and the Statistics Bureau of the Ministry of Economic Development for seeing that all the elements described in the program to be undertaken by each of the respective organizations is carried out on time. Once the procurement of the equipment for the computer center has been initiated, the Chief of the Planning Department will supervise the preparation of detailed scopes of work for all of the technicians required under the project in close coordination with the National Data Management Authority and the Statistics Bureau. Specific activities to be undertaken by the Planning Department under the project will include additional analyses of the farm household survey. A number of potential areas have already been identified. In addition, the Planning Department will be responsible for analyses in the agriculture and livestock production, crop area and production estimates, planning/budgeting and project development, monitoring and evaluation, and marketing and trade.

(2) Responsibilities of the Statistics Bureau.

The Statistics Bureau's function will be to collect the information required by the Planning Department for sector planning purposes. This includes the design of surveys to be conducted, design of new sample frames to be used based on the 1980 Population Census Add-on, the development with collaboration of the Planning Department of questionnaire content,

questionnaire design, questionnaire testing, field work and assisting the National Data Management Authority in data editing and development of tabulation specifications and other phases of data processing. The Statistics Bureau will begin immediately to staff-up vacant positions. The Statistics Bureau will also begin to draw up the scope of services for both the resident and short-term advisors.

(3) Responsibilities of the National Data Management Authority

The National Data Management Authority will initiate activities as soon as possible after project implementation begins with two programmers who will assist the Planning Department of the Ministry of Agriculture in obtaining additional tabulations as needed for the analysis of the farm household survey. These tabulations will be produced by the National Data Management Authority utilizing the computer center at GUYMINE on a time available basis until the new computer center at the University of Guyana Campus becomes operational. The National Data Management Authority will provide assistance to the Planning Department in preparation of the final list of equipment and follow-up on procurement thereof. The National Data Management Authority will oversee the computer center installation. As the center nears completion, the National Data Management Authority will staff its offices and the resident

advisors will be called forward.

(4) Delegation of Responsibilities.

In order to facilitate implementation of the project, the Cooperating Country herewith confirms that persons occupying the following positions may act in the capacities specified below and that the signatures of such persons will be presented to U.S.A.I.D., as provided under Section 5.1(b) of the Project Loan and Grant Agreement:

(a) Execution, amendment, modification or amplification of this Agreement -

Minister of Finance

(b) Execution of contracts and other commitments under this Agreement -

Minister of Agriculture

(c) All matters pertaining to Letters of Commitment, Special Letters of Credit and other related financial matters -

Accountant General

Deputy Accountant General

Assistant Accountant General

(d) As to signing certificates of performance and other implementation matters as described in this section -

Chief Planning Officer, Ministry of Agriculture

Chief Statistics Officer, Ministry of Economic Development

Director, National Data Management Authority.

(5) Procurement of Services

The A.I.D. Grant funds for this project will be used to fund contracts to provide the technical assistance and participant training requirements of the project. It is agreed that A.I.D. will undertake to contract directly with United States Government Agencies, using Grant funds provided under the Project Agreement, to provide certain of the technical assistance services required for the Project.

IV. FINANCIAL Plan

The summary financial plan is projected as follows:

PROJECT INPUTS	A.I.D.		Cooperating Country	TOTAL
	Loan	Grant		
Technical Assistance	-	1.868	-	1.868
Participant Training	-	0.030	-	0.030
Computer Hardware and Related Equipment	1.000	-	-	1.000
Personnel	-	-	3.246	3.246
Operating Expenses	-	-	0.957	0.957
Facilities	-	-	0.060	0.060
TOTAL	1.000	1.898	4.263	7.161

Combined Loan and Grant
Project Standard Provisions Annex

Agriculture Sector Planning
A.I.D. Project No. 504-0077

Definitions: As used in this Annex, the "Agreement" refers to the Project Loan and Grant Agreement to which this Annex is attached and of which this Annex forms a part. Terms used in this Annex have the same meaning or reference as in the Agreement.

Article A: Project Implementation Letters. To assist the Cooperating Country in the implementation of the Project, A.I.D., from time to time, will issue Project Implementation Letters that will furnish additional information about matters stated in this Agreement. The Parties may also use jointly agreed-upon Project Implementation Letters to confirm and record their mutual understanding on aspects of the implementation of this Agreement. Project Implementation Letters will not be used to amend the text of the Agreement, but can be used to record revisions or exceptions which are permitted by the Agreement, including the revision of elements of the amplified description of the Project in Annex 1.

Article B: General Covenants

SECTION B.1. Consultation. The Parties will cooperate to assure that the purpose of this Agreement will be accomplished. To this end, the Parties, at the request of either, will exchange views on the progress of the Project, the performance of obligations under this Agreement, the performance of any consultants, contractors or suppliers engaged on the Project, and other matters relating to the Project.

SECTION B.2. Execution of Project. The Cooperating Country will:

(a) carry out the Project or cause it to be carried out with due diligence and efficiency, in conformity with sound technical, financial, and management practices, and in conformity with those documents, plans, specifications, contracts, schedules or other arrangement, and with any modifications therein, approved by A.I.D. pursuant to this Agreement; and

(b) provide qualified and experienced management for, and train such staff as may be appropriate for the maintenance and operation of the Project, and, as applicable for continuing activities, cause the Project to be operated and maintained in such manner as to assure the continuing and successful achievement of the purposes of the Project.

SECTION B.3. Utilization of Goods and Services.

(a) Any resources financed under the Assistance will, unless otherwise agreed in writing by A.I.D., be devoted to the Project until the completion of the Project, and thereafter will be used so as to further the objectives sought in carrying out the Project.

(b) Goods or services financed under the Assistance, except as A.I.D. may otherwise agree in writing, will not be used to promote or assist a foreign aid project or activity associated with or financed by a country not included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time of such use.

SECTION B.4. Taxation. (a) This Agreement, and the Assistance will be free from, and the Principal and interest of the Loan will be paid free from, any taxation or fees imposed under laws in effect in the territory of the Cooperating Country.

(b) To the extent that (1) any contractor, including any consulting firm, any personnel of such contractor financed under the Assistance, and any property or transaction relating to such contracts and (2) any commodity procurement transaction financed under the Assistance, are not exempt from identifiable taxes, tariffs, duties or other levies imposed under laws in effect in the territory

of the Cooperating Country, the Cooperating Country will, as and to the extent provided in and pursuant to Project Implementation Letters, pay or reimburse the same with funds other than those provided under the Assistance.

SECTION B.5. Reports, Records, Inspections, Audit.

The Cooperating Country will:

(a) furnish A.I.D. such information and reports relating to the Project and to this Agreement as A.I.D. may reasonably request;

(b) maintain or cause to be maintained, in accordance with generally accepted accounting principles and practices consistently applied, books and records relating to the Project and to this Agreement, adequate to show, without limitation, the receipt and use of goods and services acquired under the Assistance. Such books and records will be audited regularly, in accordance with generally accepted auditing standards, and maintained for three years after the date of last disbursement by A.I.D.; such books and records will also be adequate to show the nature and extent of solicitations of prospective suppliers of goods and services acquired, the basis of award of contracts and orders, and the overall progress of the Project toward completion; and

(c) afford authorized representatives of A.I.D. the opportunity at all reasonable times to inspect the Project, the utilization of goods and services financed by A.I.D., and books, records and other documents relating to the Project and the Assistance.

SECTION B.6. Completeness of Information.

The Cooperating Country confirms:

(a) that the facts and circumstances of which it has informed A.I.D., or caused A.I.D. to be informed, in the course of reaching agreement with A.I.D. on the Assistance, are accurate and complete, and include all facts and circumstances that might materially affect the Project and the discharge of responsibilities under this Agreement, and

(b) that it will inform A.I.D. in timely fashion of any subsequent facts and circumstances that might materially affect, or that it is reasonable to believe might so affect, the Project or the discharge of responsibilities under this Agreement.

SECTION B.7. Other Payments. The Cooperating Country affirms that no payments have been or will be received by any official of the Cooperating Country in connection with the procurement of goods or services financed under the Assistance except fees, taxes, or similar payments

legally established in the territory of the Cooperating Country.

SECTION B.8. Information and Marking. The Cooperating Country will give appropriate publicity to the Assistance and the Project as a program to which the United States has contributed, identify the Project site, and mark goods financed by A.I.D., as described in Project Implementation Letters.

Article C: Procurement Provisions

SECTION C.1. Special Rules. (a) The source and origin of ocean and air shipping will be deemed to be the ocean vessel's or aircraft's country of registry at the time of shipment.

(b) Premiums for marine insurance placed in the territory of the Cooperating Country will be deemed an eligible Foreign Exchange Cost, if otherwise eligible under Section C.7(a).

(c) Any motor vehicles financed under the Assistance will be of United States manufacture, except as A.I.D. may otherwise agree in writing.

(d) Transportation by air, financed under the Grant, of property or persons (and their personal effects) will be on carriers holding United States certification, to the extent service by such carriers is available.

Details on this requirement will be described in a Project Implementation Letter.

SECTION C.2. Eligibility Date. No goods or services may be financed under the Assistance which are procured pursuant to orders or contracts firmly placed or entered into prior to the date of this Agreement, except as the Parties may otherwise agree in writing.

SECTION C.3. Plans, Specifications, and Contracts. In order for there to be mutual agreement on the following matters, and except as the Parties may otherwise agree in writing:

(a) The Cooperating Country will furnish to A.I.D. upon preparation;

(1) any plans, specifications, procurement or construction schedules, contracts, or other documentation relating to goods or services to be financed under the Assistance, including documentation relating to the prequalification and selection of contractors and to the solicitation of bids and proposals. Material modifications in such documentation will likewise be furnished A.I.D. on preparation;

(2) such documentation will also be furnished to A.I.D., upon preparation, relating to any goods or services which, though not financed under the Assistance, are deemed by A.I.D. to be of major importance to the

Project. Aspects of the Project involving matters under this subsection (a) (2) will be identified in Project Implementation Letters;

(b) Documents related to the prequalification of contractors, and to the solicitation of proposals for goods and services financed under the Assistance will be approved by A.I.D. in writing prior to their issuance, and their terms will include United States standards and measurements.

(c) Contracts and contractors financed under the Assistance for engineering and other professional services, for construction services, and for such other services, equipment or materials as may be specified in Project Implementation Letters, will be approved by A.I.D. in writing prior to execution of the contract. Material modifications in such contracts will also be approved in writing by A.I.D. prior to execution; and

(d) Consulting firms used by the Cooperating Country for the Project but not financed under the Assistance, the scope of their services and such of their personnel assigned to the Project as A.I.D. may specify, and construction contractors used by the Cooperating Country for the Project but not financed under the Assistance shall be acceptable to A.I.D.

SECTION C.4. Reasonable Price. No more than reasonable prices will be paid for any goods or services financed, in whole or in part, under the Assistance. Such items will be procured on a fair, and, to the maximum extent practicable, on a competitive basis.

SECTION C.5. Notification to Potential Suppliers. To permit all United States firms to have the opportunity to participate in furnishing goods and services to be financed under the Assistance, the Cooperating Country will furnish A.I.D. such information with regard thereto, and at such times, as A.I.D. may request in Project Implementation Letters.

SECTION C.6. Shipping.

(a) Goods which are to be transported to the territory of the Cooperating Country may not be financed under the Assistance if transported either: (1) on an ocean vessel or aircraft under the flag of a country which is not included in A.I.D. Geographic Code 935 as in effect at the time of shipment, or (2) on an ocean vessel which A.I.D., by written notice to the Cooperating Country, has designated as ineligible; or (3) under an ocean or air charter which has not received prior A.I.D. approval.

(b) Costs of ocean or air transportation (of goods or persons) and related delivery services may not be financed under the Assistance, if such goods or persons are carried: (1) on an ocean vessel under the flag of a country not, at the time of shipment, identified under the paragraph of the Agreement entitled "Procurement Source: Foreign Exchange Costs", without prior written A.I.D. approval; or (2) on an ocean vessel which A.I.D., by written notice to the Cooperating Country, has designated as ineligible; or (3) under an ocean vessel or air charter which has not received prior A.I.D. approval.

(c) Unless A.I.D. determines that privately-owned United States flag commercial ocean vessels are not available at fair and reasonable rates for such vessels, (1) at least fifty percent (50%) of the gross tonnage of all goods (computed separately for dry bulk carriers, dry cargo liners and tankers) financed by A.I.D. which may be transported on ocean vessels will be transported on privately-owned United States-flag commercial vessels, and (2) at least fifty percent (50%) of the gross freight revenue generated by all shipments financed by A.I.D. and transported to the territory of the Cooperating Country on dry cargo liners shall be paid to or for the benefit of privately-owned United States-flag commercial vessels.

Compliance with the requirements of (1) and (2) of this subsection must be achieved with respect to both any cargo transported from U.S. ports and any cargo transported from non-U.S. ports, computed separately.

SECTION C.7. Insurance.

(a) Marine insurance on goods financed by A.I.D. which are to be transported to the territory of the Cooperating Country may be financed under the Assistance, as a Foreign Exchange Cost under this Agreement provided (1) such insurance is priced at the lowest available competitive rate, and (2) claims thereunder are payable in the currency in which such goods were financed or in any freely convertible currency. If the Cooperating Country, by statute, decree, rule, regulation, or practice discriminates with respect to A.I.D.-financed procurement against any marine insurance company authorized to do business in any State of the United States, then all goods shipped to the territory of the Cooperating Country financed by A.I.D. hereunder will be insured against marine risks and such insurance will be placed in the United States with a company or companies authorized to do a marine insurance business in a State of the United States.

(b) Except as A.I.D. may otherwise agree in writing, the Cooperating Country will insure, or cause to be insured, goods financed under the Assistance imported for the Project against risks incident to their transit to

the point of their use in the Project; such insurance will be issued on terms and conditions consistent with sound commercial practice and will insure the full value of the goods. Any indemnification received by the Cooperating Country under such insurance will be used to replace or repair any material damage or any loss of the goods insured or will be used to reimburse the Cooperating Country for the replacement or repair of such goods. Any such replacement will be of source and origin of countries listed in A.I.D. Geographic Code 935 as in effect at the time of replacement, and, except as the Parties may agree in writing, will be otherwise subject to the provisions of the Agreement.

SECTION C.8. U.S. Government-owned Excess Property.

The Cooperating Country agrees that wherever practicable United States Government-owned excess personal property, in lieu of new items financed under the Assistance should be utilized. Funds under the Assistance may be used to finance the costs of obtaining such property for the Project.

Article D: Termination; Remedies

SECTION D.1. Cancellation by Cooperating Country.

The Cooperating Country may, by giving A.I.D. 30 days written notice, cancel any part of the Loan or the Grant which has not been disbursed or committed for disbursement to third parties.

SECTION D.2. Events of Default; Acceleration.

It will be an "Event of Default" if the Cooperating Country shall have failed:

(a) to pay when due any interest or installment of principal required under this Agreement, or (b) to comply with any other provision of this Agreement, or (c) to pay when due any interest or installment of principal or other payment required under any other loan, guaranty or other agreement between the Cooperating Country or any of its agencies and A.I.D. or any of its predecessor agencies. If an Event of Default shall have occurred, then A.I.D. may give the Cooperating Country notice that all or any part of the unrepaid Principal will be due and payable sixty (60) days thereafter, and, unless such Event of Default is cured within that time:

(1) such unrepaid Principal and accrued interest hereunder will be due and payable immediately, and

(2) the amount of any further disbursements made pursuant to then outstanding commitments to third parties or otherwise will become due and payable as soon as made.

SECTION D.3. Suspension. If at any time:

(a) An Event of Default has occurred; or

(b) An event occurs that A.I.D. determines to be an extraordinary situation that makes it improbable

either that the purpose of the Assistance will be attained or that the Cooperating Country will be able to perform its obligations under this Agreement; or

(c) Any disbursement by A.I.D. would be in violation of the legislation governing A.I.D.; or

(d) The Cooperating Country shall have failed to pay when due any interest, installment of principal or other payment required under any other loan, guaranty, or other agreement between the Cooperating Country or any of its agencies and the Government of the United States or any of its agencies;

Then A.I.D. may:

(1) suspend or cancel outstanding commitment documents to the extent they have not been utilized through irrevocable commitments to third parties or otherwise, giving prompt notice thereof to the Cooperating Country;

(2) decline to issue additional commitment documents or to make disbursement other than under existing ones; and

(3) at A.I.D.'s expense, direct that title to goods financed under the Assistance be transferred to A.I.D. if the goods are from a source outside

Guyana, are in a deliverable state and have not been offloaded in ports of entry of Guyana. Any disbursement made under the Loan with respect to such transferred goods will be deducted from Principal.

SECTION D.4. Cancellation by A.I.D. If within sixty (60) days from the date of any suspension of disbursements pursuant to Section D.3., the cause or causes thereof have not been corrected, A.I.D. may cancel any part of the Assistance that is not then disbursed or irrevocably committed to third parties.

SECTION D.5. Continued Effectiveness of Agreement. Notwithstanding any cancellation, suspension or disbursement, or acceleration of repayment, the provisions of this Agreement will continue in effect until the payment in full of all Principal and accrued interest hereunder.

SECTION D.6. Refunds. (1) In the case of any disbursement which is not supported by valid documentation in accordance with this Agreement, or which is not made or used in accordance with this Agreement, or which was for goods or services not used in accordance with this Agreement, A.I.D., notwithstanding the availability or exercise of any other remedies provided for under this Agreement, may require the Cooperating Country to refund the amount of such

disbursement in U.S. Dollars to A.I.D. within sixty (60) days after receipt of a request therefor.

(b) If the failure of the Cooperating Country to comply with any of its obligations under this Agreement has the result that goods or services financed under the Assistance are not used effectively in accordance with this Agreement, A.I.D. may require the Cooperating Country to refund all or any part of the amount of the disbursements under this Agreement for such goods or services in U.S. dollars to A.I.D. within sixty days after receipt of a request therefor.

(c) The right under subsection (a) or (b) to require such a refund of a disbursement will continue, notwithstanding any other provision of this Agreement, for three years from the date of the last disbursement under this Agreement.

(d) (1) Any refund under subsection (a) or (b), or (2) any refund to A.I.D. from a contractor, supplier, bank or other third party with respect to goods or services financed under the Assistance, which refund relates to an unreasonable price for or erroneous invoicing of goods or services, or to goods that did not conform to specifications, or to services that were inadequate, will (A) be made available first for the cost of goods and services required for the Project, to the extent justified, and (B) the

remainder, if any, (i) if derived from Loan funds, will be applied to the installments of Principal in the inverse order of their maturity and the amount of the Loan reduced by the amount of such remainder, and (ii) if derived from Grant funds, will be deducted from the amount of the Grant.

(c) Any interest or other earnings on Grant funds disbursed by A.I.D. to the Cooperating Country under this Agreement prior to the authorized use of such funds for the Project will be returned to A.I.D. in U.S. Dollars by the Cooperating Country.

SECTION D.7. Nonwaiver of Remedies. No delay in exercising any right or remedy accruing to a Party in connection with its financing under this Agreement will be construed as a waiver of such right or remedy.

SECTION D.8. Assignment. The Cooperating Country agrees, upon request, to execute an assignment to A.I.D. of any cause of action which may accrue to the Cooperating Country in connection with or arising out of the contractual performance or breach of performance by a party to a direct U.S. Dollar contract with A.I.D. financed in whole or in part out of funds granted by A.I.D. under this Agreement.