

AGENCY FOR INTERNATIONAL DEVELOPMENT
**PROJECT AUTHORIZATION AND REQUEST
 FOR ALLOTMENT OF FUNDS PART I**

1. TRANSACTION CODE

A

A ADD
 C CHANGE
 D DELETE

PAF

2. DOCUMENT CODE
 5

3. COUNTRY/ENTITY

ST/RAD

4. DOCUMENT REVISION NUMBER

5. PROJECT NUMBER (7 digits)

931-1191

6. BUREAU/OFFICE

A. SYMBOL B. CODE
 ST/RAD 08

7. PROJECT TITLE (Maximum 40 characters)

Off-farm Employment

8. PROJECT ACTION TAKEN

APPROVAL
 DECISION

A - APPROVED
 D - DISAPPROVED
 DE - DEAUTHORIZED

9. EST. PERIOD OF IMPLEMENTATION

YRS. 0 5

QTRS. 0

10. APPROVED BUDGET AID APPROPRIATED FUNDS (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE		E. 1ST FY <u>81</u>		H. 2ND FY <u>81</u>		K. 3RD FY <u>81/2</u>	
		C. GRANT	D. LOAN	F. GRANT	G. LOAN	I. GRANT	J. LOAN	L. GRANT	M. LOAN
(1) FN	2795	290		1539		165		200	
(2)									
(3)									
(4)									
TOTALS				1539		165		200	

A. APPROPRIATION	N. 4TH FY		Q. 5TH FY		LIFE OF PROJECT		11. PROJECT FUNDING AUTHORIZED	
	O. GRANT	P. LOAN	R. GRANT	S. LOAN	T. GRANT	U. LOAN	(ENTER APPROPRIATE CODE(S))	A. GRANT B. LOAN
(1)					1904		1 = LIFE OF PROJECT 2 = INCREMENTAL LIFE OF PROJECT	2
(2)								
(3)								
(4)								
TOTALS					1904		C. PROJECT FUNDING AUTHORIZED THRU	FY <input type="checkbox"/> 8 <input type="checkbox"/> 2

12. INITIAL PROJECT FUNDING ALLOTMENT REQUESTED (\$000)

A. APPROPRIATION	B. ALLOTMENT REQUEST NO.	
	C. GRANT	D. LOAN
(1)		
(2)		
(3)		
(4)		
TOTALS		

13. FUNDS RESERVED FOR ALLOTMENT

TYPED NAME (Chief, SER/FM/FSD)

SIGNATURE

DATE

14. SOURCE/ORIGIN OF GOODS AND SERVICES

000

941

LOCAL

OTHER

15. FOR AMENDMENTS, NATURE OF CHANGE PROPOSED

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

BEST AVAILABLE COPY

PROJECT AUTHORIZATION AND REQUEST FOR

ALLOTMENT OF FUNDS

PART II

ENTITY: Science and Technology
PROJECT: Off-Farm Employment
PROJECT NUMBER: 931-1191

I approve an increase in the Off-Farm Employment project (931-1191) authorization by \$200,000, from \$1,704,000 to \$1,904,000.
No time extension is necessary.

Signature

Bernard Chagnon

Date

8/31/81

Clearances: (on Action Memorandum)

Budget

<u>Category</u>	<u>Activity</u>	<u>Funding Required</u>	<u>Explanation of ST/RAD Funding</u>	<u>Mission Contribution</u>	
In-depth Applied Research and Consulting	Thailand	\$ 50,000	17 pm consulting time { Liedholm 1 pm Mead 3 pm Boomgard 7 pm Menegay 3 pm Priebprom 3 pm	\$60,000 - \$100,000	
	Egypt	25,000		4 pm { Mead 3 pm Liedholm 1 pm	\$400,000
	Jamaica	20,000		6 pm { Liedholm 1 pm Fisseha 4.5 pm Mead .5 pm	to be determined
	Honduras	26,000		7 pm { Liedholm 1 pm Pease 6 pm Stallmann 3 pm	to be determined
Short-term Consulting	Botswana, others to be determined	19,000	10 pm { Liedholm .5 pm Mead .5 pm Hagblade 3 pm Stallmann 3 pm	Travel & per diem	
Special Studies and soaps	1. subcontracting; 2. working capital; 3. cross-country comparison of enterprises.	20,000	2.5 pm { Liedholm 1.5 pm Mead 1 pm	-----	
Admin. Strategy		40,000	18.5 pm { Liedholm 2 pm Mead .5 pm Admin Asst 4 pm Secretary 12 pm	-----	
TOTAL		\$200,000			

August 11, 1981

ACTION MEMORANDUM FOR THE ACTING SENIOR ASSISTANT ADMINISTRATOR, BUREAU FOR SCIENCE AND TECHNOLOGY

FROM: ST/RAD, Jerome T. French



Problem: To increase the authorized level of project funding for the Off-farm Employment Project from \$1,704,000 to \$1,904,000. This action is required to enable the project to continue its involvement with in-depth applied research activities in four countries and to provide on-going consulting services to these missions.

Discussion: Michigan State University is currently undertaking in-depth applied research and consulting on rural enterprise development in four countries (Thailand, Egypt, Honduras, and Jamaica). The activities in which MSU has been participating are parts of on-going mission programs and have been largely funded by the missions themselves. RAD has funded a share of these costs, in addition to providing funding for short term consulting, state of the art papers and other special studies, the maintenance of a network of specialists with experience in the area of rural enterprise development, and the dissemination of findings of its applied research and consulting activities.

The interim evaluation and subsequent assessments by missions hosting in-depth work under this project indicate that MSU has been highly successful in satisfying the terms of its cooperative agreement to date.

Under the Off-farm Employment Project, RAD funding for in-depth applied research and consulting activities has been budgeted only through August, 1981. The four missions concerned have indicated that they are very interested in a continuation of MSU consulting services for periods ranging from 12 months to at least 16 months, and that they feel that the MSU services are important for the success of the mission projects to which they are contributing. RAD feels that a continuation of MSU involvement in in-depth relationships with these missions would continue in a significant way to USAID's understanding of constraints facing small enterprises and the effectiveness of different types of project interventions in addressing these constraints.

The \$200,000 that we are requesting would fund RAD's share on applied research and consulting services to these missions for the final 14 months of project life. The attached budget provides a breakdown of proposed expenditures by country and an explanation of the types of support that would be provided by RAD funding to complement missions' contributions. These four missions have already contributed approximately \$1.5 million of their own funds to these activities. During the period from August, 1981 through December, 1982, the RAD contribution (\$200,000) would represent less than one third of the total

costs of these project activities in these four countries, with the balance being made up by mission contributions. The RAD core funds would also support a limited amount of short-term consulting work and the preparation of papers summarizing the results of applied research and consulting activities.

The work by MSU during this 16 month period would focus on providing USAID with additional analyses of data that have been generated in these countries by MSU and host country institutions and applying the results of these analyses to project design and implementation efforts in these and other countries in which AID is involved with rural enterprise development activities.

These additional funds will enable RAD to continue to develop its capacity to provide services to missions in an area that is increasingly becoming a priority area for the Agency. In particular, this funding will help to maintain a specialized capacity available to the Agency to carry out policy, sectoral, and institutional analyses and surveys relating to small scale industry development.

\$200,000 of FY 1982 funds will be transferred from the new Small Rural Enterprise project to the Off-farm Employment project if FY 1981 or FY 1982 funds are not added to the RAD OYB. The work of both projects is closely related and indeed some activities of the Off-farm Employment project are likely to be continued under the new project.

Recommendation: That you approve an increase in the authorized level of funding for the Off-farm Employment Project (931-1191) from \$1,704,000 to \$1,904,000 to be funded in FY 1981 or FY 1982 by signing the attached PAF.

Attachments:

Proposed Budget
PAF

Clearances:

ST/RAD, LFaoro	_____	Date	_____
ST/RAD, JGelb	<u>JG</u>	Date	<u>8/26/81</u>
ST/PO, BChapnick	_____	Date	_____
ST/PO, ASilver	<u>ade</u>	Date	<u>8/27/81</u>

Drafted by: ST/RAD, CBarton: 8/5/81: etj: W212E
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