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UNCLASSIFIED

INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

AGENCY FOR INTERNATIONAL DEVELOPMENT

Washington, D.C. 20523

YEMEN: PROJECT 279-0040

DEVELOPMENT TRAINING II

REVISION/AMENDMENT ONE

GRANT

1982

UNCLASSIFIED

|   |  |   |                              |                           |
|---|--|---|------------------------------|---------------------------|
| AGENCY FOR INTERNATIONAL DEVELOPMENT<br><b>PROJECT DATA SHEET</b>           |  | 1. TRANSACTION CODE<br><b>C</b><br>A = Add<br>C = Change<br>D = Delete  | Amendment Number<br><u>1</u> | DOCUMENT CODE<br><u>3</u> |
| 2. COUNTRY/ENTITY<br>Yemen Arab Republic                                    |  | 3. PROJECT NUMBER<br><u>279-0040</u>  |                              |                           |
| 4. BUREAU/OFFICE<br><u>NE</u>   |  | 5. PROJECT TITLE (maximum 10 characters)<br><u>Development Training II</u>  |                              |                           |
| 6. PROJECT ASSISTANCE COMPLETION DATE (PACD)<br>MM DD YY<br><u>12/31/87</u> |  | 7. ESTIMATED DATE OF OBLIGATION<br>(Under "B:" below, enter 1, 2, 3, or 4)<br>A. Initial FY <u>78</u> B. Quarter <u>4</u> C. Final FY <u>83</u> |                              |                           |

| A. FUNDING SOURCE      |        | FIRST FY       |            |                | LIFE OF PROJECT |              |               |
|------------------------|--------|----------------|------------|----------------|-----------------|--------------|---------------|
|                        |        | B. FX          | C. L/C     | D. Total       | E. FX           | F. L/C       | G. Total      |
| AID Appropriated Total |        | 2,724.2        |            | 2,724.2        | 20,174          |              | 20,174        |
| (Grant)                |        | (2,724.2)      |            | (2,724.2)      | (20,174)        |              | (20,174)      |
| (Loan)                 |        |                |            |                |                 |              |               |
| Other                  | 1. ICA | 25             |            | 25             | 146             |              | 146           |
| U.S.                   | 2.     |                |            |                |                 |              |               |
| Host Country           |        |                | 301        | 301            |                 | 3,296        | 3,296         |
| Other Donor(s)         |        |                |            |                |                 |              |               |
| <b>TOTALS</b>          |        | <b>2,749.2</b> | <b>301</b> | <b>3,050.2</b> | <b>20,320</b>   | <b>3,296</b> | <b>23,616</b> |

| A. APPROPRIATION | B. PRIMARY PURPOSE CODE | C. PRIMARY TECH CODE |         | D. OBLIGATIONS TO DATE |         | E. AMOUNT APPROVED THIS ACTION |         | F. LIFE OF PROJECT |         |
|------------------|-------------------------|----------------------|---------|------------------------|---------|--------------------------------|---------|--------------------|---------|
|                  |                         | 1. Grant             | 2. Loan | 1. Grant               | 2. Loan | 1. Grant                       | 2. Loan | 1. Grant           | 2. Loan |
|                  |                         | (1) EH               | 660B    | 700                    |         | 10,706.1                       |         | 4,587              |         |
| (2)              |                         |                      |         |                        |         |                                |         |                    |         |
| (3)              |                         |                      |         |                        |         |                                |         |                    |         |
| (4)              |                         |                      |         |                        |         |                                |         |                    |         |
| <b>TOTALS</b>    |                         |                      |         | <b>10,706.1</b>        |         | <b>4,587</b>                   |         | <b>20,174</b>      |         |

|   |                            |
|---|----------------------------|
| 10. SECONDARY TECHNICAL CODES (maximum 5 codes of 3 positions each) | 11. SECONDARY PURPOSE CODE |
| 12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)    |                            |
| A. Code   |                            |
| B. Amount   |                            |
| 13. PROJECT PURPOSE (maximum 480 characters)                        |                            |

The purpose of the project is to provide the Yemen Government with adequately trained manpower in fields of high development priority and thus improve the YARG's capability for planning, administering and implementing their development programs.

|   |  |
|---|--|
| 14. SCHEDULED EVALUATIONS   | 15. SOURCE/ORIGIN OF GOODS AND SERVICES  |
| Interim: MM YY <u>10/81</u> MM YY <u>10/83</u> Final: MM YY <u>04/87</u>                    | <input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input type="checkbox"/> Local <input type="checkbox"/> Other (Specify) |
| 16. AMENDMENTS, NATURE OF CHANGE PROPOSED (This is page 1 of a <u>82</u> page PP Amendment) |  |

To add \$4,587,000 per para G. of page 3, PP Revision (Attached).

|   |  |   |
|---|--|---|
| 17. APPROVED BY                           | Signature<br>Charles D. Ward             | 18. DATE DOCUMENT REC'D IN AID/W, OR FOR AID/WMENTS, DATE OF DIST |
|   | Title<br>Mission Director<br>USAID/Yemen |   |
| Date Signed<br>MM DD YY<br><u>1/25/81</u> |  | MM DD YY<br><u>1/25/81</u>  |

|  |   |                             |
|--|---|-----------------------------|
| AGENCY FOR INTERNATIONAL DEVELOPMENT<br><br><b>PROJECT PAPER FACESHEET</b> | 1. TRANSACTION CODE<br><input type="checkbox"/> A ADD<br><input type="checkbox"/> C CHANGE<br><input type="checkbox"/> G DELETE | PP<br>3. DOCUMENT CODE<br>3 |
|  | 4. DOCUMENT REVISION NUMBER <input type="checkbox"/>  |                             |

|   |  |
|---|--|
| 3. COUNTRY ENTITY<br><b>YEMEN ARAB REPUBLIC</b> | 4. DOCUMENT REVISION NUMBER <input type="checkbox"/> |
|---|--|

|   |   |  |
|---|---|--|
| 5. PROJECT NUMBER (7 digits)<br><input type="text" value="279-0040"/> | 6. BUREAU/OFFICE<br>A. SYMBOL <input type="text" value="NE"/> B. CODE <input type="text" value="03"/> | 7. PROJECT TITLE (Maximum 40 characters)<br><input type="text" value="Development Training II"/> |
|---|---|--|

|   |   |
|---|---|
| 8. ESTIMATED FY OF PROJECT COMPLETION<br>FY <input type="text" value="86"/> | 9. ESTIMATED DATE OF OBLIGATION<br>A. INITIAL FY <input type="text" value="78"/> B. QUARTER <input type="text" value="1"/><br>C. FINAL FY <input type="text" value="86"/> (Enter 1, 2, 3, or 4) |
|---|---|

| 10. ESTIMATED COSTS (\$000 OR EQUIVALENT \$) - |          |        |          |                 |        |          |
|--|----------|--------|----------|-----------------|--------|----------|
| A. FUNDING SOURCE                              | FIRST FY |        |          | LIFE OF PROJECT |        |          |
|  | B. FY    | C. L/C | D. TOTAL | E. FY           | F. L/C | G. TOTAL |
| AID APPROPRIATED TOTAL                         | 1,522    |        | 1,522    | 15,587          |        | 15,587   |
| GRANT  | 1,522    |        | 1,522    | 15,587          |        | 15,587   |
| LOAN   |          |        |          |                 |        |          |
| OTHER U.S.                                     |          |        |          |                 |        |          |
| 1. USIS  | 25       |        | 25       | 146             |        | 146      |
| 2.   |          |        |          |                 |        |          |
| HOST COUNTRY                                   |          | 301    | 301      |                 | 3,296  | 3,296    |
| OTHER ECONOMIC                                 |          |        |          |                 |        |          |
| TOTALS   | 1,836    | 301    | 1,848    | 15,733          | 3,296  | 19,029   |

| 11. PROPOSED BUDGET APPROPRIATED FUNCS (\$000) |                         |                    |         |              |         |              |         |              |         |
|--|-------------------------|--------------------|---------|--------------|---------|--------------|---------|--------------|---------|
| A. APPROPRIATION                               | B. PRIMARY PURPOSE CODE | PRIMARY TECH. CODE |         | E. 1ST FY 78 |         | H. 2ND FY 79 |         | K. 3RD FY 80 |         |
|  |                         | C. GRANT           | D. LOAN | F. GRANT     | G. LOAN | I. GRANT     | J. LOAN | L. GRANT     | M. LOAN |
| (1) EH   | 660 B                   | 700                |         | 1,522        |         | 2,130        |         | 2,725        |         |
| (2)  |                         |                    |         |              |         |              |         |              |         |
| (3)  |                         |                    |         |              |         |              |         |              |         |
| (4)  |                         |                    |         |              |         |              |         |              |         |
| TOTALS   |                         |                    |         | 1,522        |         | 2,130        |         | 2,725        |         |

| A. APPROPRIATION | N. 4TH FY 81 |         | O. 5TH FY 82 |         | LIFE OF PROJECT |         | 12. IN-DEPTH EVALUATION SCHEDULED<br>FY 1980, FY 1982<br>and FY 1986 |
|------------------|--------------|---------|--------------|---------|-----------------|---------|--|
|                  | G. GRANT     | P. LOAN | R. GRANT     | S. LOAN | T. GRANT        | U. LOAN |  |
| (1) EH           | 2,814        |         | 2,928        |         | 15,587          |         | <input type="text" value="MM"/> <input type="text" value="YY"/>      |
| (2)              |              |         |              |         |                 |         |  |
| (3)              |              |         |              |         |                 |         |  |
| (4)              |              |         |              |         |                 |         |  |
| TOTALS           | 2,814        |         | 2,928        |         | 15,587          |         |  |

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

1 YES  
 2 NO

|  |  |  |
|--|--|--|
| 14. ORIGINATING OFFICE CLEARANCE<br>SIGNATURE<br><b>Aldelmo Ruiz, Director</b><br><b>USAID/Yemen</b> |  | 15. DATE DOCUMENT RECEIVED<br>IN AID/W. OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION<br>DATE SIGNED<br><input type="text" value="08"/> <input type="text" value="09"/> <input type="text" value="77"/> |
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IV. APPENDICES

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- Appendix E. Congressional Notification  
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- Appendix F. NEAC Approval Cable
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(7/27/77)
- Appendix H. Environmental Clearance

YEMEN DEVELOPMENT TRAINING PROJECT 040

I. SUMMARY AND RECOMMENDATION

A. GRANTEE: The Yemen Arab Republic (YAR).

B. AMOUNT: U.S. \$20.2 million, broken out as follows:

|                                   |                |
|-----------------------------------|----------------|
| Training                          | \$18,800,000   |
| Human Resources Planning Unit     | 700,000        |
| Yemen American Language Institute | <u>700,000</u> |
|                                   | \$20,200,000   |
| Obligations through FY 81         | \$10,706,000   |
| Future requirements: FY 82        | \$ 4,200,000   |
| FY 83                             | \$ 5,269,000   |

C. TERMS: This activity is to be grant funded from Development Assistance funds.

D. TOTAL PROJECT COST: Total project cost is estimated at \$23,616,000 with contributions as follows:

PROJECT COSTS  
(current U.S. \$000)

|       |              |
|-------|--------------|
| USAID | \$20,174     |
| ICA   | 146          |
| YARG  | <u>3,296</u> |
| TOTAL | \$23,616     |

However, this total reflects only USAID's increased contributions over the original budget but does not reflect increased contributions from both the Yemen Arab Republic Government and ICA. Their contributions (17% YARG\* and 1% ICA) have not been re-computed from the original project paper but, like AID's costs, have increased correspondingly because of inflation and other factors. YARG's contribution, therefore, remains approximately 17% of total project costs.

- E. DESCRIPTION OF PROJECT: Development Training II (Project 279-0040), a follow-on to Project 020, finances training abroad for Yemeni public servants. The project funds teachers of English as a foreign language and a Director of courses for the Yemen American Language Institute (YALI), which prepares participants for professional studies in an English-speaking environment. Further, it funds an advisor to assist the Yemen Government in organizing a Human Resources Planning Unit (HRPU) within the Central Planning Organization (CPO). The current revision in Project 040 reflects: 1) YARG's increased interest in U.S. training; 2) increased emphasis on graduate-level training; and 3) the need for relocating former American University of Beirut undergraduate participants.
- F. PURPOSE: The purpose of the project is to provide the Yemen Government with adequately trained manpower in fields of high development priority and thus improve the YARG's capability for planning, administering and implementing their development programs. The purpose of the Human Resources Planning Unit will be to effectively direct the Yemen Government's education planning and training programs abroad towards filling priority manpower requirements. The purpose of the Yemen American Language Institute is to teach English to nominees for USAID training prior to their departure to the U.S. or English-speaking institutions.

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\*Per Action Memorandum for the Deputy Administrator dated February 6, 1978, concerning the PAF for Development Training II, a waiver to the required 25% host country contribution was approved.

G. THE PURPOSES OF THIS PROJECT PAPER REVISION ARE:

1. To increase AID's life of project funding from \$15,587,000 to \$20,174,000 to cover higher than anticipated inflation costs and additional costs incurred for transferring participants from the American University of Beirut.

2. To accelerate final USAID contribution date from FY 86 to the first quarter of FY 83. In accordance with PPC guidelines, all 040 participants will then be selected and fully funded by the FCD, FY 83.

3. To extend the "Project Assistance Completion Date" from September 30, 1986, to December 31, 1987, to provide sufficient time for completion of degree programs.

4. To contract out to a single contractor major components of the participant training program process to ensure an efficient, well-managed operation.

H. GRANTEE CONTRIBUTION:

The YARG will contribute to the project by paying:  
1) participants' salaries while in training; 2) pre-departure costs; 3) transportation costs to the farthest point served by Yemen Airways\*; 4) the Human Resources Planning Unit's counterpart staff salaries, office space, furnishings, supplies and secretarial support; 5) the scholarship section's staff salaries; and 6) administrative field support for third country training.

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\*Yemen Airways now flies weekly to London's Gatwick Airport, but U.S.-bound participants will continue to fly only as far as Rome on Yemenia because of the difficulties involved in transferring from Gatwick to Heathrow and because a later arrival would necessitate an overnight stay in London.

I. MISSION VIEWS: The project review committee of the USAID Mission strongly supports this revised project. The members of the committee are the following:

Charles Ward, Director

Robert Beckman, Deputy Director

Patsy Layne, Human Resources Officer.

Dan Cox, Training Officer

John Giusti, Assistant Program Officer

Linda Muncy, Assistant B and A

J. RECOMMENDATION: Approval of the revised project paper.

## II. PROJECT ANALYSIS

### A. BACKGROUND:

Because of the lack of indigenous institutions of higher learning within the Yemen Arab Republic, the Yemen Government must continue to look abroad for the development and training of its human resources. Lack of sufficient numbers of adequately-trained public servants is a critical bottleneck in the implementation of YARG's development projects.

To assist YARG in overcoming this obstacle, USAID initiated the Training for YAR Development Project (O20) in 1973, effective through FY 77. Under this project, YARG selected qualified individuals for training primarily from among its civil servants. Upon their return, the trained participants were placed in responsible positions where they could use their training to further the social and economic progress of Yemen.

Development Training II (Project O40), effective February 1978 through March 1983, responds to ongoing needs for trained manpower in critical areas and for a strengthened YARG civil service by providing expanded training opportunities and by assisting YARG in the rationalization of its human resource planning and development process. The design of O40 was derived from experiences with O20, from an analysis of available data, and from the stated needs and interests of YARG.

Project O40 has enjoyed considerable success during its first three years. It has also encountered a number of problems, most of which result from unforeseen circumstances. Therefore, USAID/Y recommends that the project be revised in part to reflect current design and implementation considerations.

**B. SUMMARY OF PROPOSED REVISIONS:**

The following is a summary of the project revisions proposed herein and of the rationale which supports them. The nature of and reasoning behind each item are discussed in detail in the appropriate section(s) of the remainder of the paper.

Revisions are proposed in the following areas:

|  | <u>Relevant Revised<br/>PP Section(s)</u> |
|--|---|
| 1. Total number of participants  | C.3.a., C.4.a.1.                          |
| 2. Distribution among types of training programs                         | C.3.a., C.4.a.1.                          |
| 3. Training field priorities   | C.4.a.2., D.2.                            |
| 4. Scheduling of participant inputs and outputs                          | C.3.a., C.4.a.1.                          |
| 5. Preparation and programming of undergraduate participants to the U.S. | C.4.a.1.                                  |
| 6. Project management and administration                                 | C.4.a.3., C.4.b.<br>G.6                   |
| 7. Inputs to YALI  | C.4.c., G.4                               |
| 8. Period of Human Resources Planning advisors' input                    | C.4.d., G.2, G.5                          |
| 9. Role of YALI  | C.3.c., C.4.c.                            |
| 10. Cost   | F.  |

These revisions are suggested by a number of factors which could not have been anticipated during the design of Project 040 and which are beyond the control of USAID/Y. Furthermore, the nature and magnitude of their implications prevent the continuation of the project along its planned course.

1.

The original inflation factor was calculated at 8% (based on 6-7% in the U.S., 10-15% for YARG salaries, and 6-12% in the Arab third countries). This has proved to be an unrealistic estimate. Therefore, even if all other conditions had remained constant, the original budget would have been insufficient. The increased emphasis on U.S. training (see factors 2 and 5 below) has merely exaggerated the problem.

2. Discontinuance of AUB Programs

Because of the political situation in Lebanon, YARG determined in 1980 that it no longer wished to send participants to AUB. This decision referred to regional as well as O40 participants, and both groups withdrew. It had several significant budget and program consequences. First, approximately 70 regional participants were transferred to O40 for financial support; responsibility for their placements fell to O40 staff. Second, YARG expressed a preference for transfer to U.S. institutions (see related factor 5), and U.S. monthly costs are much higher. Third, many of the AUB transfer students had relatively poor records and are difficult to place, thus increasing the administrative burden on project staff and interfering with project scheduling. Fourth, the original project plan called for the continuation of undergraduate placements at AUB during project years 4 and 5. Implementation in these years must therefore be modified.

3. Difficulties in Implementation of HRP

The implementation of the Human Resources Planning Unit was originally problematic because of a misunderstanding on YARG's part as to its process and purpose. There were also changes in contractor staffing. This component is now back on its programmatic track and can be realized if the period by the

consultancy is extended for six months beyond the existing contract termination date, at no increase in cost. The contract, signed October 31, 1979, is currently in effect until November 30, 1981. Total estimated contract costs would not exceed the \$666,306 currently allotted.

4. Expansion of YARG's Training Priorities

YARG's training priorities have expanded beyond those discussed in the original project paper (see section C.4.2.2). These new priorities, which also respond to real needs, are in part the result of YARG's desire to strengthen the institutional capabilities of Sana'a University. Project O40 can accommodate these shifts in training, particularly in light of the fact that other concurrent projects provide training opportunities for Yemenis in fields which include health, education, agriculture, and rural development.

5. Increased YARG Interest in U.S. Training

YARG's interest in U.S. rather than third country training has increased considerably since the inception of Project O40. USAID/Y supports this shift, despite the additional costs, for several reasons. First, Yemen is still in the earliest stages of development and very few of its citizens have been exposed to Western philosophy, technology, and education. Second, U.S. institutions are particularly strong in the disciplines in which YARG expresses an interest. Finally, given YARG's reservations about sending students to AUB under current security conditions in Beirut, Arab third country training slots for Yemen are extremely limited, especially in the priority areas.

## 6. Increased-Emphasis on Graduate Level Training

Both USAID/Y and YARG agree that Project 040 should increase the relative concentration on graduate versus undergraduate training. The proposed shift in emphasis is justified by the following logic. First, Sana'a University, while still limited in many ways, is rapidly expanding in-country training opportunities at the undergraduate level and serves as an informal screening mechanism to identify those students with the highest potential for successful attainment of advanced degrees. In addition, there are a variety of other donor countries offering undergraduate scholarships. Second, participants returning with an M.A./M.S. or Ph.D. will join the most competent and highly skilled segment of Yemen's manpower cadre. They will command considerable respect within their organizations and can be expected to assume highly important and influential positions. The impact of Project 040 is therefore greater at the graduate level. Third, the project design allocates some of the graduate level slots to Sana'a University, and the importance of enhancing this faculty, and consequently the opportunity for undergraduate education in Yemen, has been indicated above. Finally, because Arab third country training opportunities have narrowed, and because of the difficulties experienced by many Yemeni secondary school graduates going straight to U.S. institutions, expenditures for graduate level training appear to hold more promise.

## 7. Unanticipated Administrative and Management Problems

The level of mission staffing originally proposed was extremely low and it might have been insufficient, even if the project had proceeded exactly on course. However, because of the increased administrative load occasioned by the AUD situation, and because of the apparent managerial problems in the U.S.-based

placement, counseling, monitoring and reporting services currently available, it has become virtually impossible for USAID/Y to manage the project properly and expeditiously, despite contributions of additional staff not specified in the original PP. An overwhelming amount of administrative detail is falling to project staff, and a number of important project tasks, such as follow-up, cannot be done.\* Even more significant, USAID/Y is unable at present to perform other critical functions related to this project, such as policymaking, in-depth consultation and negotiation with YARG staff regarding broad guidelines for human resources development, and the like. These conditions jeopardize the quality of each participant's training program and consequently the ability of returned participants to make the maximum contribution to their country's development. Clearly, this has serious implications for project impact and requires a rapid and appropriate response.

C. DETAILED DESCRIPTION

This section of the proposed revision outlines the goal and purpose of Project 040. It also presents the outputs and inputs, both actual (to date) and planned (for the remaining project years). This material is summarized in the Logical Framework (see Appendix A).

1. Statement of Goal

The broad, long-term objective, to which this project is to contribute, is to improve YARG's capability for planning and administering its development programs, especially those bringing services, infrastructure,

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\*Administrative and management performance were explored in detail in the Evaluation Report dated August 1980.

commodities and other benefits to the poor population. Measure of goal achievement should be in terms of the contributions made by AID returned participants towards the implementation of YARG's development plans, especially those programs which have significant spread effects to the general population.

As stated in the original Project Paper, the critical assumptions to be met if goal targets are to be achieved are: 1) that the YARG provide necessary incentives and enforcements to guarantee that returned participants will work on programs most directly benefitting the poor; and 2) that the YARG have the necessary capital and basic infrastructure required to carry out economic and social development programs in which returned participants will be assigned to work. Experience to date would indicate that these assumptions are being adequately met.

2. Statement of Project Purpose and Proposed "End-of-Project Status"

The project's main purpose is to provide the Yemen Government with adequately trained personnel in fields of high development priority. Under the project, training is to be given to persons who will occupy positions of responsibility in the Government. Special emphasis will be given to fields or occupations that tend to have large spread effects, such as teacher training, public health, administration, management, agricultural, and engineering occupations.

A related purpose is to provide support to the YARG's institution-building efforts related to human resources planning. The YARG requires a Human Resources Planning (HRP) Unit that can effectively direct the Yemen's education planning and training programs towards filling priority personnel requirements.

An additional purpose is the strengthening and, to some degree, the institutionalization of English language training within YAR (see Project Grant Agreement, dated February 17, 1977, Annex I, page 2). The revised Project Paper includes two approaches to achieve this: 1) placing responsibility for YALI's staffing in the hands of a qualified contractor who would also manage major components of the participant training process; and 2) including the Teaching of English as a Foreign Language (TOEFL)/linguistics as one of the fields of study under our Development Training Program. Efforts to further strengthen English language training in YARG would be undertaken in a planned follow-on training project.

"End-of-Project Status" outlines the conditions of targets fulfilled that indicate the project's purpose has been achieved. Project O40's purpose will be successfully achieved if, at its termination, the USAID training that has been provided to Government employees proves to be relevant and is utilized in their official positions. Furthermore, the training will have been in fields of high development priority as identified by the YARG's development and, where possible, emphasizing fields/occupations with high spread effects to the poor population.

USAID's institution-building purpose will have been achieved when YARG's decisions regarding planning and allocation of scholarship and training opportunities abroad are based upon the Human Resources Planning Unit's analysis of priority requirements.

Some important assumptions must hold true if the project is to achieve its purpose. These assumptions are generally the responsibility of, or under the control of, the Yemen Government; and experience to date would indicate that the YARG is adequately meeting them. The assumptions are: 1) the YARG will provide proper incentives and/or enforcement

to help guarantee the participants' return to Yemen after completion of their training and that they continue in Government employment for a period of at least twice the length of the training program; 2) the YARG will assign returned participants to positions of equal or greater responsibility which are relevant to their training and to positions where they can exercise responsibility; and 3) the YARG accepts the Human Resources Planning Unit's analysis of personnel requirements and is able to implement its recommendations.

### 3. Actual and Planned Project Outputs

The three major types of outputs forecast in the original Project Paper remain constant: 1) USAID-trained participants will have completed the training programs successfully and returned to Yemen; 2) a Human Resources Planning Unit will have been created in YARG which will be functioning effectively and turned over to Yemeni counterparts; and 3) the Yemen-American Language Institute will be operating effectively, short-term intensive English courses and begin developing the infrastructure for an enhanced English Language Training Program within the YARG.

#### a. USAID-Trained Participants

The major output has been and will continue to be personnel trained in development-related fields for YARG ministries and agencies and for Sana'a University's faculty. A selected few of the participant positions have been and may be used for training counterparts for other USAID projects.\* To the extent that USAID can plan ahead for the long-term training needs of future projects, Project 040 funds can be used for such training.

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\*Training for current projects is generally done under project funds but in the past a problem has been that participant selection time coupled to the training period takes longer than anticipated and holds up a project's implementation. Too often participants slated to be counterparts do not return until after USAID project personnel depart.

The original design called for a variety of types of training in order to meet YARG needs, to avoid supply constraints and to maximize project impact. The same principle still holds. However, as indicated in Section B (Summary of Proposed Revisions), the remainder of the project will reflect a shift toward graduate level, U.S.-based training and will fund U.S. undergraduate training for approximately 70 former AUB participants.

Table 1 represents actual and planned outputs as of this time by completion date, origin and type of training program.

Thus, the difference between planned outputs of the original Project Paper and those proposed in this revision are described in the chart below. The revised projection, as shown in Table 1, includes those participants originally under O20.

| <u>Type of Training</u>               | <u>Number of Participants</u> |                           |
|---------------------------------------|-------------------------------|---------------------------|
|                                       | <u>Original Plan</u>          | <u>Revised Projection</u> |
| U.S. undergraduate                    | 50                            | 125                       |
| AUB or AUC undergraduate              | 50**                          | 33                        |
| Arab-speaking undergraduate           | 125                           | 76                        |
| U.S. graduate                         | 100                           | 120                       |
| Short-term non-degree* (U.S. or Arab) | 100                           | 38                        |
| Long-term non-degree                  | 0                             | 40                        |
| Seminars/conferences                  | <u>15</u>                     | <u>10</u>                 |
| Total                                 | 440                           | 442                       |

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\*Less than nine months.

\*\*All were planned for AUB.

**TABLE 1.**  
**Annual Number Of Participants**  
**Completing Training By Fiscal Year**

| TYPE OF TRAINING                                  | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | TOTAL      |
|---|------|------|------|------|------|------|------|------|------|------|------------|
| <b>U.S. Undergraduate</b>                         |      |      |      |      |      |      |      |      |      |      |            |
| - Originated Under 040                            | -    | 1    | 1    | 1    | -    | 1    | 8    | 8    | 7    | 3    | 30         |
| - Picked Up From 020                              | 2    | 8    | 9    | 3    | 2    | -    | -    | -    | -    | -    | 24         |
| - AUB Regional                                    | -    | -    | -    | -    | -    | 15   | 14   | 5    | -    | -    | 34         |
| - AUB Bilateral                                   | -    | -    | -    | -    | -    | 1    | -    | 31   | 5    | -    | 37         |
|   |      |      |      |      |      |      |      |      |      |      | <u>125</u> |
| <b>AUB Students Continuing At AUB Or AUC</b>      | -    | -    | -    | -    | 1    | -    | 9    | 23   | -    | -    | 33         |
|   |      |      |      |      |      |      |      |      |      |      | <u>33</u>  |
| <b>Arab-Speaking Undergraduate</b>                |      |      |      |      |      |      |      |      |      |      |            |
| - Originated Under 040 (Syria)                    | -    | -    | -    | -    | 18   | 20   | -    | -    | -    | -    | 38         |
| - Picked-up From 020 (Egypt)                      | -    | 8    | 18   | 12   | -    | -    | -    | -    | -    | -    | 38         |
|   |      |      |      |      |      |      |      |      |      |      | <u>76</u>  |
| <b>U.S. Graduate</b>                              |      |      |      |      |      |      |      |      |      |      |            |
| - Originated Under 040                            | -    | -    | 8    | 13   | 22   | 12   | 27   | 17   | -    | -    | 99         |
| - Originated Under 020                            | -    | 3    | 15   | 3    | -    | -    | -    | -    | -    | -    | 21         |
|   |      |      |      |      |      |      |      |      |      |      | <u>120</u> |
| <b>Short-term Non-degree (Less Than 9 Months)</b> |      |      |      |      |      |      |      |      |      |      |            |
| - Originated Under 040                            | -    | 23   | 4    | 8    | -    | 2    | -    | -    | -    | -    | 37         |
| - Originated Under 020                            | 1    | -    | -    | -    | -    | -    | -    | -    | -    | -    | 1          |
|   |      |      |      |      |      |      |      |      |      |      | <u>38</u>  |
| <b>Long-term Non-degree (9 Months +)</b>          |      |      |      |      |      |      |      |      |      |      |            |
| - Originated Under 040                            | -    | 1    | 8    | 10   | 14   | 6    | -    | -    | -    | -    | 39         |
| - Originated Under 020                            | 1    | -    | -    | -    | -    | -    | -    | -    | -    | -    | 1          |
|   |      |      |      |      |      |      |      |      |      |      | <u>40</u>  |
| <b>Seminars/Conferences (040)</b>                 | 2    | 4    | 1    | 3    | -    | -    | -    | -    | -    | -    | 10         |
|   |      |      |      |      |      |      |      |      |      |      | <u>10</u>  |

b. Human Resources Planning Unit

The second output category relates to the HRPU. The contract under which the advisors serve in Yemen reflects the following objectives:

- 1) To assist in the establishment of the HRPU.
- 2) To develop a system to assess and meet human resources requirements.
- 3) To develop a plan and recommendations for optimizing scholarship assistance.

The scope of work is described as follows:

- 1) To assess current and projected human resource requirements.
- 2) To evaluate the scholarship assistance program, including language preparation.
- 3) To prepare recommendations on: how to meet human resource needs; and how to assess the scholarship program.
- 4) To provide OJT and operational recommendations for the HRPU.

The current plans and activities of the HRPU are fully consistent with these provisions of the contract and are expected to result in the planned products.

An assumption behind the continued functioning of the HRPU was the appointment (and training if necessary) of qualified Yemeni counterparts to work for the Unit and continuity among this counterpart staff. Continued success of this Unit as a YARG entity also will be dependent on YARG support to the advisors. These assumptions appear to remain valid.

c. Operation of YALI

The third type of project output is the effective operation of the Yemen-American Language Institute (YALI). To be successful, adequate numbers of nominees for AID training in the U.S. (or English-speaking institutions) must attend and pass YALI's English courses to enable annual training commencement targets to be met. Intensive and short-term courses are required. A condition necessary for achieving outputs is YARG's agreement to release nominees from job obligations so they can attend the intensive YALI courses. At the present time, these outputs remain realistic.

It is important to note that YALI's role has expanded considerably from that originally proposed. In addition to preparing participants for foreign study, it also offers English language training to YARG civil servants who are non-participants but who are referred by their ministries for English language study. These additional tasks have greatly increased the workload and it has been necessary to hire additional teachers to satisfy new levels of demand (see C.4.c.).

4. Actual and Planned Project Inputs

The types of USAID inputs set forth in the original plan (Section B.4) remain essentially the same, but implementation has required changes in magnitude, as indicated below.

YARG inputs also remain the same, except an additional contribution is the participation of Yemen's cultural attaches in Cairo and Damascus in the management of third country programs.

a. Participant Training

1) Numbers

The original Project Paper proposed estimates of the annual number of new starts in each training category and also suggested that a review be under-

taken every year to assess the continued appropriateness of these numbers. Flexibility was advocated in order to respond to changing YARG personnel requirements. The original estimate\* is shown below; the revised number of new starts per year plus AUB transferees and O20 pick-ups are given in Table 2.

(1) Ten each year as undergraduates to U.S. universities.

(2) Ten each year as undergraduates to AUB or other English-speaking third country universities.

(3) Twenty-five each year as undergraduates to Arab-speaking universities.

(4) Twenty each year for graduate degree programs in U.S. universities (half from YARG and half from Sana'a University).

(5) Twenty each year for short-term, non-degree programs.

(6) Three attending seminars or conferences each year, mostly to the U.S.

As many of the total training opportunities as possible were to be reserved for women. YARG has pledged itself to nominate and give priority to as many qualified women as they can find for USAID training programs. The current Project Paper calls for 10-20%.

The major assumption for providing these inputs was and still is that qualified candidates, including women, can be nominated in each category and, in

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\*The Project Grant Agreement dated February 27, 1978, incorrectly stated items numbered (2), (5), and (6) as follows: no. 2 (20 vice 10); no. 5 (30 vice 20); and no. 6 (5 vice 3). The Grant Agreement will be amended to reflect planned new starts for years 4 and 5 of the project and AUB transfers as shown in Table 2.

TABLE 2  
 Number of New Starts  
 By Type of Training and Project Year\*

| <u>TYPE OF TRAINING</u>           | <u>YR. 1</u> | <u>YR. 2</u> | <u>YR. 3</u> | <u>YR. 4</u> | <u>YR. 5</u> | <u>AUB<br/>REGIONAL</u> | <u>AUB<br/>BILATERAL</u> | <u>O2O<br/>PICK-UPS</u> | <u>TOTAL</u> |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|-------------------------|--------------------------|-------------------------|--------------|
| U.S. Undergraduates               | 5            | 6            | 10           | 7            | 3            | 34                      | 37                       | 25                      | 127          |
| AUB Continuing at<br>AUB/AUC**    |              |              |              |              |              | 16                      | 17                       |                         | 33           |
| Arab-speaking Under-<br>graduates | 27           | 25           |              |              |              |                         |                          | 48                      | 100          |
| U.S. Graduate                     | 44           | 13           | 20           | 20           | 15           |                         |                          | 22                      | 134          |
| Short-term non-degree             | 7            | 22           | 8            |              | 2            |                         |                          | 1                       | 40           |
| Long-term non-degree              | 12           | 15           | 6            | 12           | 5            |                         |                          | 1                       | 51           |
| Seminars/Conferences              | <u>2</u>     | <u>5</u>     | <u>3</u>     | <u>—</u>     | <u>—</u>     | <u>—</u>                | <u>—</u>                 | <u>—</u>                | <u>10</u>    |
| TOTAL                             | 97           | 86           | 47           | 39           | 25           | 50                      | 54                       | 97                      | 495          |

\*AUB transfers (regional and bilateral) and O2O transfers are not broken out by project year.

\*\*This category does not include AUB regionally funded participants who continue at AUB.

the case of those going to the U.S. and other English-speaking universities, that they reach the Handbook's minimum English standard. This policy has continued to be controlling on the project, except that some of the AUB transfer students, who would not ordinarily have been nominated for U.S. training, present sub-standard English and academic qualifications. Their placement has therefore been highly problematic, and their successful completion of a U.S. academic program is far from assured.

Because of the factors presented in Section B., and on the annual reviews mentioned above, actual and planned inputs vary from the original scheme and are as follows:

The disposition of 139 AUB transfers (63 bilateral and 76 regional) is as follows:

|           | TO U.S. | RETURN TO AUB | AUC | DROPOUT/<br>UNKNOWN |
|-----------|---------|---------------|-----|---------------------|
| Bilateral | 37      | 1             | 16  | 9                   |
| Regional  | 34      | 18*           | 16  | 8                   |

Based on an analysis of all available information, current plans will be carried out provided that the necessary additional funds are forthcoming (see Section F.).

## 2) Fields of Training

The original Project Paper suggested guidelines for the first year and indicated that changes should be made on the basis of new and more comprehensive information regarding manpower requirement projects. Initial priorities were to be as follows:

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\*These 18 regional students are continuing at AUB and will continue to be funded from regional funds.

1. Agriculture
2. Education
3. Rural Development
4. Nutrition and Family Planning
5. Public Health
6. Planning
7. Administration/Management
8. Finance/Accounting/Banking
9. Statistics
10. Economics
11. Engineering/Architecture and Related Basic Sciences.

Emphasis was to be upon training in the first five categories, which are sectors that are most obviously "New Directional." Furthermore, the training opportunities were not to be scattered among too many fields since experience indicated that a more significant developmental impact occurs when training is concentrated within a few specific sectors or ministries.

A review of participants' programs to date shows that Project 040 has sponsored training in all the above categories. Some areas, however, such as numbers one, seven, eight and ten above have received more emphasis than others. But this does not mean that the remaining categories are being ignored by USAID's overall development training program. Other major projects are also addressing training requirements in education, rural development, agriculture, and health/nutrition/family planning.

Further, in regard to Sana'a University faculty, special care is being taken in selecting fields of training that will prepare qualified lecturers and professors. Project 040 funded training programs in addition to the above categories which includes library science, communications/mass media, sociology, international relations and physical/biological sciences. A strengthened program in the basic sciences (chemistry, physics, biology, psychology) is necessary to develop YARG's long-range capability in applied sciences that reflect USAID priorities such as agriculture, health, nutrition, education, engineering and administration.

In addition, in order to strengthen and begin institutionalizing English language training in the YARG, efforts will be made to find qualified candidates for studies in TOEFL and/or linguistics.

In summary, Project 040, in conjunction with other mission projects being implemented, is addressing the Agency's priorities, is responding to YARG's expressed interests and is continually reviewing the YAR's capacity to absorb and fully utilize its trained personnel.

### 3) Incentives and Enforcement

In Section B.4.a., the original Project Paper stressed the importance of YARG incentives and enforcement with respect to the length and nature of Government service to which returned participants are committed. The objective is the utilization of participant training in positions of responsibility. The paper also stated that USAID could encourage YARG to exercise its authority and could address such issues in the Project Agreement, but the real responsibility rests with YARG. USAID/Y is still committed to these principles and fully supports the original Project Paper in this area.

One of the most critical problems remaining is the apparent ineffectiveness of U.S.-based monitoring. Regular and timely progress reports on USAID/Y participants are not forthcoming. Program extensions are common. They apparently result from a participant's failure to take a full course load or his or her desire to remain at the institution for additional training. This is contrary to regulations and imposes a real strain on the project's budget. It also means that YARG experiences a sometimes significant delay in meeting its critical personnel requirements. As mentioned in Section B. and further discussed in Section G.6, USAID/Y recommends that a qualified and experienced contractor be hired to perform a number of Project O40 functions, including monitoring, and believes that this initiative will curb actual or potential program abuses.

b. USAID Mission Project Management Staff

The original PP allocated (out of operating funds) one full-time education specialist as project manager and one local direct hire to O40. In actuality, USAID/Y is devoting considerably more manpower to this project because of the large workload associated with project operation. As stated in Section B., the original staffing plan was perhaps unrealistic even in the best of circumstances, but the influx of AUB transfers (including regional scholars not originally contemplated under O40) and the extreme difficulties the Mission is experiencing in getting adequate placement, counseling, monitoring and reporting services in the U.S. make it impossible to operate as planned. At present, O40 uses the staff officially allocated to it plus one other local hire full time, plus nearly 100% of the second local hire assigned to another unit, and the services of two other professionals on a 25-50% basis. Even with these inputs, however, important project functions such as follow-up remain undone.

There would appear to be three possible solutions to this problem: (1) an increase in USAID/Y staff officially assigned to Project O40; (2) an improvement in existing U.S.-based services; and (3) the contracting out of significant O40 administration and management responsibilities (in Yemen the U.S. and third countries) to a qualified organization.

The first alternative would assist in in-country functions, although it would do nothing to alleviate the communications and participant handling problems which originate in the U.S.; nor would it improve the support services available in third countries. The second is well beyond USAID/Y's authority and therefore does not seem to be a real option. The third would significantly improve the participants' training experience and consequently their contribution to YARG. Further, it would decrease demands on USAID staff time to perform the tasks outlined in Appendix B and permit the training office personnel to focus on the responsibilities described in G.7. And finally, the third option would provide the many services, including placement, counseling, monitoring and reporting which have been heretofore inadequate. USAID/Y therefore recommends that significant O40 administration and management responsibilities be contracted out. This is discussed more fully in section G.6 and Appendix B.

c. YALI Staff

The original project design called for O40 support of one Director of Courses and up to three part-time English teachers. More recently, O40 has supported up to eight part-time English teachers. The YALI faculty is now being upgraded through the recruitment of five experienced full-time teachers, three of whom will be Peace Corps Volunteers. The YALI Director of Courses can be very selective in hiring only the best qualified part-time teachers, if in fact any are needed to supplement the core faculty.

In addition to providing English language training for Project 279-0040, Development Training II, YALI has in the past been training the participants funded by other USAID projects. The latter category will increase markedly as more and more participants are sponsored for U.S. training by the contractors of major USAID projects (Consortium for International Development, Eastern Michigan University, Catholic Relief Services and others); and YALI will be able to meet the increased training demands.

d. Human Resource Planning Advisors to YARG

The original design envisioned one or two full-time advisors to CPO in order to stimulate the development within YARG of the capability for human resources planning, including a rationalized system for allocating education and training opportunities based on these plans. YARG was to provide office space, supplies and personnel, and has done so.

A USAID/W contractor currently supplies the USAID inputs and provides for approximately 55 person-months of service over two years by both long- and short-term specialists. The specific functions of the consultants are summarized in Section C.3.b. and are essentially the same as those proposed in the original design, except funding is not available for the type of massive data collection and research originally considered.

As indicated earlier, the HRPV did not get off to a smooth start because of problems with YARG concurrence in goals and methodology and with contractor staffing. However, CPO has given official approval to the new HRPV plan as developed by the advisors and counterparts, and the contractor's personnel appear to be effective. There is currently one long-term specialist in Yemen, and short-term specialists will continue to assist according to the plan.

USAID/Y supports the continuation of the HRPY component but believes that the current plan is overly ambitious given the existing contract termination date. Therefore, USAID/Y recommends that the contract period be extended for six months to one year at no additional cost to the Government. This should be possible because the contractor's staffing pattern has changed, and not all of the person-months will be used by the end of the current contract period. These months could be used for an extension.

Major conditions for providing these project inputs continue to include the YARG's continued agreement to accept the advisors, to create a Human Resources Planning Unit within CPO and to provide office space, supplies and salaries of Yemeni staff, including counterparts and secretarial services.

#### D. SOCIAL ANALYSIS

##### 1. Social-Cultural Feasibility

In this section, socio-cultural factors that may affect the success of the project will be examined and tentative solutions suggested. Many of these factors are the "critical assumptions" presented in the Logical Framework; some may be influenced by USAID actions, but others are beyond USAID's control.

Under Project 040, there are a number of categories of training, each with a somewhat different minimum participant profile and thus with different constraints.

##### a. Undergraduate Training

For undergraduate degree training, the potential source of supply of eligible participants is the new groups of secondary school graduates in the sciences with good enough grades (scores of 75 and above) to qualify for scholarships abroad.\*

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\*The minimum score required by the Ministry of Education is 75%. This level of student is normally only qualified for third-country training programs.

However, to help ensure against dropouts and failures, it was proposed that for this project only students with grades of 85 and above be accepted for U.S. and AUB scholarships and only students with 80 and above be accepted for Arab-speaking universities.\* This has not always been possible to implement, however, particularly with respect to students going to AUB.

Rough estimates of the potential supply of secondary school graduates with various grades are as follows:

| <u>YEAR</u> | <u>75+</u> | <u>80+</u> | <u>85+</u> | <u>90+</u> |
|-------------|------------|------------|------------|------------|
| 1977/78     | 800        | 500        | 200        | 80         |
| 1978/79     | 1100       | 700        | 300        | 110        |
| 1979/80     | 1300       | 800        | 400        | 130        |
| 1980/81     | 1500       | 1000       | 450        | 150        |
| 1981/82     | 1800       | 1200       | 500        | 180        |

The number of female candidates for undergraduate study abroad may be limited. Only about 7% of general secondary school students are female. Besides this limited supply, many parents may object to their daughters studying abroad, especially in a non-Arab country such as the U.S. The position of women in Yemen is still very traditional Moslem with the vast majority married and under the veil by 16 years of age.

Another potential supply constraint is competition for these students from other donor scholarship programs. However, scholarships to the U.S. are highly sought compared to scholarships to Arab, Soviet or Eastern

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\*This might also help to allocate USAID scholarships according to merit rather than according to personal contacts or wealth.

European institutions. Only recently have undergraduate scholarships been made more readily available to Western universities. USAID's experience to date clearly indicates that Yemen can provide us more qualified candidates than we have grants for.

Despite any potential constraints, the current targets for undergraduate U.S. study in the next two years appear to be feasible and realistic. Yemeni secondary school graduates are generally taught only a small amount of English in their schools, so they will have to study in intensive English courses at YALI before departure from Sana'a and continue a six week-three month "top-off" program in the U.S. before embarking on a full academic program. This top-off period should be spent on the placement campus wherever possible, rather than in another English language training location so that participants can adjust to their new surroundings in advance of their academic course work.

There is nothing to indicate such English training would be socially or otherwise not feasible. The prospect of an undergraduate scholarship to a good university should be enough incentive for participants to be eager students at YALI and experience with similar groups of candidates over the last few years has borne this hypothesis out.

Because these undergraduate students are fairly young and from a very traditional society, there may be some culture shock involved in their attempts to adjust to U.S. society. YALI can play a role in lessening this shock by teaching them the language and something of the American culture. The top-off period in the U.S. will serve a similar function and that is why every effort should be made to send the participant to his or her placement campus if it has an English language program rather than to Georgetown University or other large English language training facilities.

Another social feasibility question of concern for attaining project purpose is the probability of the return of undergraduate students to Yemen after their degrees are received. They will have made agreements with their Government to return for five years service, but this has not been adequately tested; some may be able to get out of their obligations. Others may simply not return to Yemen. Since undergraduate training is long and the students are often at a young, unattached and formative stage of their lives, non-return of some may be a problem. No statistics are as yet available to define its magnitude.

b. Graduate Training

According to a 1975 survey, there were about 1200 in Government with a secondary school certificate, 250 with some post-secondary education and about 700 with a university degree. Not only are qualified candidates in relatively short supply, but competition for these people is severe. Many donors seek qualified counterparts for project-related training programs. However, we have experienced no problem in having qualified candidates for our Development Training II program. Finding women for this type of training is even more difficult; only 4% of YARG employees are women and many of them are in nonskilled positions. Nevertheless, it has been recent YARG policy to give preference to qualified female candidates regarding training opportunities abroad.

Another problem relates to obtaining nominations for those in the Government who are most qualified rather than those who have personal contacts with persons in positions of authority. Yemen has only fairly recently been open to foreign influences and modern institutional arrangements. Ideas such as opportunities and promotions for the most qualified and most industrious employees are still foreign to some ministries, and the influence of personal friendships and tribal loyalty is still powerful. This cultural situation affects not only selection of the most qualified persons for training opportunities, but also may influence choice of fields for study.

Even after a human resource requirements plan for YARG becomes available from an HRP Unit, implementation without administrative reforms might remain difficult. Particularly in some ministries, fields for training may be chosen not because of need, but because those are the fields of the employees who are the personal favorites or relatives of persons in supervisory/ authority positions. Such influences cannot be changed overnight, but might be minimized by more centralization of the selection process and by placing the authority to nominate trainees in the hands of persons with more modern criteria for selection.

While acknowledging that a truly merit-based system is preferable and should be a general goal, it is also important to recognize that in present-day Yemen jobs are still often awarded to those who have political or personal affiliations with the power structure, both public and private. In other words, the very factors which influence scholarship selection also apply to job opportunities and it is the "well-connected" - who are not always the most qualified - who will hold important positions. Therefore, the current process ensures at least that selected candidates will return to influential jobs and in this regard its positive impact on YARG's manpower resources is significant.

Nominees are likely to need considerable language training before they leave Yemen, and the major problem is that some ministries are reluctant to release their employees to attend YALI during work hours. YALI has scheduled evening courses to accommodate participants who cannot attend regular classes, but carrying a full workload and attending an intensive language training program is quite burdensome. USAID and CPO are exploring means to alleviate this problem.

c. Non-Degree Training

Though the final two years of the project will emphasize graduate level training, the revised budget makes provision for nondegree programs of varying durations as well, in both the U.S. and third country. One major problem with short-term training in the U.S. is the participants' lack of English. Since intensive English language training in preparation for short-term courses is neither cost-effective for USAID nor attractive to participants, short-term training available in the Arab world will be used if possible during these final two years of implementation.

2. Spread-Effects and Social Impact

This project effectively reaches USAID policy targets such as assisting the poor and women.

The direct beneficiaries of the project are the participants in the training program. Those that receive a degree are especially benefitted because this will ensure a salary raise and greater professional upward mobility.

The variety of USAID projects should be viewed as a totality in assessing spread-effects and social impact. This is particularly true of education and training since many of the current projects have such a component. Spread-effects and impact on the poor will be improved by emphasizing training in certain sectors that would most affect the welfare of the masses such as agriculture, rural development, health, nutrition, family planning, primary and secondary education and nonformal education. Also, training in certain fields or occupations that provide "grass-roots" services or more formal spread-effects will be emphasized such as teacher-training, paramedical, and agricultural extension skills. However, there are many other priorities identified by YARG which have considerable impact on infrastructure and institution building. Their potential to improve the quality of life for the poor should not be ignored.

To enhance the probability that training in all fields will actually benefit the target population, USAID should help to ensure their eventual useful employment upon return by coordinating the training with future planned public sector programs or USAID projects aimed at the poor. YARG should make every effort to provide sufficient salaries and other incentives to help enhance willing public employment. This will be particularly important in those positions imposing hardships such as living in rural, underdeveloped areas.

### 3. Environmental Impact

The project will not produce any significant adverse environmental impacts within Yemen. Instead, this project may enhance socio-economic conditions by increasing the educational and professional competence of the Yemeni and allowing them to witness a developed nation's ways of dealing with environmental concerns. This should develop more sensitivity to environmental and provide alternative strategies for dealing with them.

USAID/Yemen recommends that a negative determination be issued for this project by USAID/W.

## E. TECHNICAL, ECONOMIC AND ADMINISTRATIVE ANALYSIS

### 1. Technical Analysis

The major issue to be addressed here is a justification of the size and composition of the participant training project and of the cost estimates. Based on experience to date, the revised participant quotas for the last two project years appear to be appropriate and feasible given demand, supply and funding levels.

In terms of demand, this project is relatively small and there is no threat of underemployment or unemployment for participant trainees. There are data to show that the greatest gap between supply and demand is and will continue to be in the skilled office, skilled manual and semi-skilled categories. However, the gaps in the underlying professional areas, particularly science-related and administrative, are substantial enough to support this revised project.\*

In terms of supply, Section D.1 confirms the feasibility of project size and the revised category quotas are based in part on YARG's interest as expressed by the numbers and types of candidates it nominates. Therefore, project achievement is not threatened by inadequate supply.

As far as costs are concerned, the revised cost estimates for the various types of participant training programs are based upon updated standard USAID training cost estimates provided by the Office of International Travel and upon the Mission's previous experience. (See Financial Plan, Section F., for discussion of standard costs and inflation factor). The revised estimated cost for project staff (such as project manager, local direct hire, Director of Courses, teachers and planning advisors) are also based upon standard costs and the Mission's experience in prior project years. The cost estimates of YARG's contribution were based upon discussions with YARG officials and have not changed.

## 2. Economic Analysis

A quantitative cost-benefit analysis for this type project is not possible given the indirect nature of its economic impact. Its impact upon the incomes of direct beneficiaries, the participants, could be calculated, but as discussed earlier, this is not

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\*World Bank Report 3181a-YAR, Manpower Development in the Yemen Arab Republic, March 27, 1981.

per se the purpose of the project. Rather, the most important economic impact will be the results of these YARG development projects implemented with the participation of USAID-trained personnel. The distribution of these benefits among the population thus depends mainly upon the priorities in the YARG's development plan. However, as noted earlier, Project O40 should be viewed as but one component of USAID's overall program, and the impact of infrastructure and institutional advances on the poor should not be overlooked.

As stated earlier, underemployment and unemployment are highly unlikely for participant trainees. Of far greater concern is the possibility of higher salaries to be earned in neighboring oil-rich countries attracting exparticipants away from Yemen. As discussed elsewhere, YARG and USAID will continue to make agreements with the participants prior to their training in order to clarify their employment obligations and rights upon return. Such measures should help to ensure the participants' employment and utilization of training in a way that will benefit Yemen's economic and social development.

### 3. Administrative Analysis

Often the extent of a project's success is dependent upon the efficient functioning of the recipient Government's administrative units. This is very true for this project which leaves significant roles of selection and nomination of the USAID participants to YARG. Potential problems have already been well documented in the original Project Paper and include lack of human resources planning capabilities, rapid turnover of staff in the scholarship sections, low Government salaries that cannot attract and hold the most qualified personnel and a strong traditional system of personal relationships that may prevent the most qualified from being nominated to training opportunities.

In the first three project years, YARG has demonstrated its commitment to solving many of these problems and further progress is anticipated. In addition, the work of the HRPV will have considerable impact. Therefore, the project's administrative feasibility is not significantly impaired by YARG at this time and conditions are expected to improve as the project progresses.

F. FINANCIAL PLAN

1. USAID Contributions

The major project expenditures that USAID will continue to finance for the balance of this project include:

- a. Tuition and maintenance expenses of all participants.
- b. Travel costs of participants from terminal point of Yemen Airways closest to the country of training and return.\*
- c. One YALI Director of Courses.
- d. Two professional TOEFL teachers for YALI.
- e. Four part-time English teachers for YALI.
- f. One USAID Mission project manager and the services of two other professionals on a 25% basis each.
- g. Two USAID Mission local direct hires, one full time and one part-time.\*\*
- h. Funds for one long-term and several short-term human resources planning advisors to YARG and for human resources research.
- i. Evaluation of project.

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\*See Section I.H.

\*\*These Mission staff will be financed from the Mission Operating Budget and not from the project.

2. ICA Contributions

ICA has and will continue to finance other YALI costs such as rental and maintenance of building equipment, books and supplies, administrative support and salaries for two teachers.

3. Peace Corps Contributions

The Peace Corps will contribute three English teachers to YALI from 1981 to 1983 at a cost of approximately \$24,000 a year to be funded from the Peace Corps budget. This contribution is not included in the total cost of the project.

4. YARG Contributions

The Yemen Government has and will continue to contribute to the project by financing:

a. Salaries of Government employee participants during their training at YALI and abroad.

b. Travel from Yemen to terminal point of the Yemen Airways closest to the country of training and return.\*

c. Office space and supplies for YARG human resources planning advisors and unit.

d. Salaries of HRPY Yemeni staff including one or two counterparts with bachelor degrees and secretarial services.

e. Salaries of two staff with bachelor degrees for scholarship sections of CPO and Ministry of Education.

f. Administrative field support for third country training.

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\*See Section I.H.

**5. Itemized Cost Estimates**

In all tables and report narrative, annual project expenditures for Fiscal Years 1978-80 are given as actual. The itemized cost assumptions behind USAID funding estimates for Fiscal Years 1981-1983 are given below. Costs in items (a), (e), and (h) are provided by the Office of International Training.

a. All undergraduate training and graduate degree training costs in the U.S. are estimated at monthly rate by fiscal year.

|         |         |
|---------|---------|
| FY 1981 | \$1,600 |
| FY 1982 | \$1,850 |
| FY 1983 | \$2,100 |
| FY 1984 | \$2,300 |
| FY 1985 | \$2,500 |
| FY 1986 | \$2,700 |

b. Round trip travel cost per student funded by USAID per fiscal year.

|         |         |
|---------|---------|
| FY 1981 | \$1,600 |
| FY 1982 | \$1,800 |
| FY 1983 | \$2,000 |

c. Graduate degree training in the U.S. is estimated to average 30 months (including English).

d. Undergraduate training in the U.S. is estimated to average 54 months (including English).

e. Short-term non-degree training in the U.S. is estimated to average nine months and to cost at a monthly rate in FY 1981 \$3,400 and FY 1982 \$3,900.

f. Undergraduate training in Syria is estimated to cost \$300 per month in FY 1981 and FY 1982.

g. Undergraduate training in Jordan is estimated to cost \$900 per month in FY 1981.

h. Undergraduate training in the American University of Beirut and other third country to be determined is estimated to cost at a monthly rate in FY 1981 \$900, FY 1982 \$990, FY 1983 \$1,090 and FY 1984 \$1,200.

i. YALI costs are estimated to be \$150,000 in FY 1981 and \$200,000 in FY 1982.

j. Cost for the human resources planning advisors' contract is estimated at \$101,000 in FY 1982.

k. Short-term contract advisors in FY 1981 is estimated at \$29,000.

l. Evaluation of project in FY 1983 is estimated at \$33,000 (a second evaluation of Project 040 will be done only if it is considered necessary).

#### 6. Inflation Factor

The original Project Paper used an inflation rate of 8% to calculate USAID expenditures and 15% to calculate YARG contributions. Actual experience has shown that in both cases the inflation has been considerably higher. No changes have been made in the calculation of YARG and ICA contributions but their inflation rate has increased considerably. For USAID, its major project costs are for U.S.-trained participants. In calculating the revised project budget, USAID used the estimated standard U.S. costs provided by the Office of International Training through 1984 and increased the FY 84 estimate by \$200/year through FY 86. The inflation rates vary from year to year, being high initially and decreasing through 1986. Rates are as follows: 81-82 (15.6%); 82-83 (13.5%); 83-84 (9.5%); 84-85 (8.7%); and 85-86 (8%).

## 7. USAID Project Funding

The USAID financial contribution to the project will continue to be a grant. Since the start of the project, funding has been on an incremental or year to year basis. The new training starts initiated in FY 1981 and FY 1982 will continue on that basis because of the limited funding availability in those years. However, upon receipt of the FY 1983 Allotment and Obligation, all student training programs will be fully funded to the end of the training grant at the time additional funding is required. Therefore, final date of obligation will be FY 1983. Per the FY 83 ABS, USAID estimated a required obligation of \$4,200,000 for FY 82 and \$5,269,000 for FY 83. These final two-year obligations should cover adequately remaining life-of-project costs through December 1987.

## 8. Project Expenditures Summary

A summary of actual project expenditures for Fiscal Years 1978-80 and estimated expenditures for Fiscal Years 1981-83 is given in the following three tables.

## G. IMPLEMENTATION PLAN

### 1. Revised Project Paper Approval Schedule

The revised Project Paper should be approved by October 31, 1981. Revisions affecting the existing Project Agreement with YARG should be documented and submitted for their review and approval by November 30, 1981.

### 2. USAID Contracting Schedule

Procedures for local Mission hires remain the same.

The hiring of YALI teachers is now the responsibility of the Director of Courses.

TABLE 3. ESTIMATED FINANCIAL COMMITMENTS<sup>1/</sup>  
 by Source and By Fiscal Year  
 (in thousands of U.S. \$) <sup>2/</sup>

| FISCAL YEAR  | AID CONTRIBUTION |              |               | ICA CONTRIBUTION <sup>3/</sup> | YARG CONTRIBUTION <sup>3/</sup> | TOTAL CONTRIBUTION |
|--------------|------------------|--------------|---------------|--------------------------------|---------------------------------|--------------------|
|              | Training         | Non-Training | Total         |                                |                                 |                    |
| 1978         | 2,342            | 343          | 2,685         | 25                             | 301                             | 3,011              |
| 1979         | 1,909            | 579          | 2,488         | 27                             | 443                             | 2,958              |
| 1980         | 1,805            |              | 1,805         | 29                             | 557                             | 2,391.             |
| 1981         | 1,860            | 179          | 2,039         | 31                             | 636                             | 2,706              |
| 1982         | 4,086            | 301          | 4,387         | 34                             | 726                             | 5,147              |
| 1983         | 6,737            | 33           | 6,770         |                                | 284                             | 7,054              |
| 1984         | -                |              |               |                                | 160                             | 160                |
| 1985         |                  |              |               |                                | 88                              | 88                 |
| 1986         |                  |              |               |                                | 101                             | 101                |
| <b>TOTAL</b> | <b>18,739</b>    | <b>1,435</b> | <b>20,174</b> | <b>146</b>                     | <b>3,296</b>                    | <b>23,616</b>      |

<sup>1/</sup> For AID training contributions, commitments are PIO/P's issued.

<sup>2/</sup> Actual for FY 1978-1980. Assuming inflation rate of 12% per year starting with FY 1981 current costs.

<sup>3/</sup> No changes made in ICA and YARG Contributions from original project paper. However, costs have risen due to high inflation in Yemen.

TABLE 4, AID PROJECT OBLIGATIONS AND  
ESTIMATED EXPENDITURES  
(in thousands of \$)

| FISCAL YEAR  | OBLIGATIONS   | EXPENDITURES  |
|--------------|---------------|---------------|
| 1978         | 2,724         | 138           |
| 1979         | 2,530         | 916           |
| 1980         | 2,252         | 2,219         |
| 1981         | 3,200         | 2,874         |
| 1982         | 4,200         | 4,436         |
| 1983         | 5,269         | 4,320         |
| 1984         |               | 3,235         |
| 1985         |               | 1,696         |
| 1986         |               | 292           |
| 1987         |               | 49            |
| <b>TOTAL</b> | <b>20,175</b> | <b>20,175</b> |

TABLE 5. AID TRAINING AND NON-TRAINING COMMITMENTS <sup>1/</sup>  
 Actual: FY 1978-1980 Estimated: FY 1981-1983  
 (In thousands of U.S. \$)

| TRAINING                         | FY 1978      | FY 1979      | FY 1980      | FY 1981      | FY 1982      | FY 1983      | TOTAL         |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Year-1                           |              |              |              |              |              |              |               |
| Masters Programs - U.S.          | 1,061        | 89           | 25           | 70           | 44           | 34           | 1,323         |
| Undergraduates - U.S.            | 84           | 29           | 6            |              | 22           | 48           | 189           |
| Non-degree Training - U.S.       | 224          | 14           |              |              |              |              | 238           |
| Year-2                           |              |              |              |              |              |              |               |
| Masters Programs - U.S.          | 201          | 164          |              | 13           | 44           | 4            | 426           |
| Undergraduates - U.S.            |              | 191          |              |              | 111          | 269          | 571           |
| Non-degree Training - U.S.       | 16           | 21           |              |              |              |              | 37            |
| Year-3                           |              |              |              |              |              |              |               |
| Masters Programs - U.S.          | 18           | 222          | 95           | 105          | 278          | 173          | 891           |
| Undergraduates - U.S.            |              | 96           | 78           | 115          | 222          | 357          | 868           |
| Non-degree Training - U.S.       |              | 61           | 28           |              | 22           |              | 111           |
| Year-4                           |              |              |              |              |              |              |               |
| Masters Programs - U.S.          |              |              |              | 125          | 470          | 621          | 1,216         |
| Undergraduates - U.S.            |              |              |              | 146          | 155          | 459          | 760           |
| Non-degree Training - U.S.       |              |              |              | 64           | 111          |              | 175           |
| Year-5                           |              |              |              |              |              |              |               |
| Masters Programs - U.S.          |              |              |              |              | 408          | 660          | 1,068         |
| Undergraduates - U.S.            |              |              |              |              | 82           | 345          | 427           |
| Non-degree Training - U.S.       |              |              |              |              | 78           |              | 78            |
| AUB and country to be determined | 184          | 450          |              | 555          | 380          | 743          | 2,312         |
| Short Term Non-degree - Arab     | 133          | 198          | 193          | 146          | 81           |              | 751           |
| Long Term Non-degree - Arab      |              | 5            | 101          | 398          |              |              | 504           |
| AUB transfers                    |              |              | 1,246        | 104          | 1,534        | 2,995        | 5,879         |
| 020 Undergraduates               | 420          | 369          | 33           | 19           | 44           | 29           | 914           |
| <b>TOTAL TRAINING</b>            | <b>2,342</b> | <b>1,909</b> | <b>1,805</b> | <b>1,860</b> | <b>4,086</b> | <b>6,737</b> | <b>18,739</b> |
| NON-TRAINING                     |              |              |              |              |              |              |               |
| Human Resources Planning         | 29           | 579          |              |              | 101          |              | 709           |
| YALI                             | 284          |              |              | 150          | 200          |              | 634           |
| Evaluators/IQC Advisors          | 30           |              |              | 29           |              | 33           | 92            |
| <b>TOTAL</b>                     | <b>2,685</b> | <b>2,488</b> | <b>1,805</b> | <b>2,039</b> | <b>4,387</b> | <b>6,770</b> | <b>20,174</b> |

<sup>1/</sup> For AID training, commitments are PIO/P's issued

The length of the HRPV contract should be extended up to 12 months beyond its existing termination date (November 30, 1981) with no increase in cost. Negotiations for the extension should begin in August 1981 and be completed by September 30, 1981.

The RFP relating to participant processing (see Section G.6 below) should be issued by September 1981 so that the selected contractor can begin work in Yemen and the U.S. as soon as possible. The recommendation is for an expedited procurement via a "short list."

### 3. Participant Training Schedule

For each remaining fiscal year, a new group of participants will start training. Nominations have to be made early enough to allow time for intensive YALI courses (averaging approximately one year) plus three months U.S. top-off and for placing candidates in appropriate institutions.

### 4. YALI Responsibilities

It will be the responsibility of YALI staff to teach intensive English language courses (and an evening, part-time course, if necessary) to official YARG nominees for USAID training in the U.S. and also to other civil servants. The YALI Director of Courses will have the responsibility to report periodically on student performance.

### 5. Human Resources Planning Advisor's Responsibilities

The responsibilities of the contractor personnel should remain consistent with the plan currently approved by CPO. As stated in Section G.2., the period of performance should be extended for up to 12 months beyond the existing contract termination date, at no increased cost. (See Section C.4.d.).

6. Participant Processing Contractor's Responsibilities

USAID/Y is fully aware of the potential difficulties associated with the development and implementation of successful foreign training programs for a number of Yemeni participants whose basic education is limited, whose language scores are in the low-acceptable range, and whose social and cultural exposure is extremely narrow. The unusual placement, counseling and monitoring considerations are onerous and complex, and they require the application of highly specialized skills and knowledge.

Based on Project O40 experience to date, USAID/Y does not believe that the handling of participants, following nomination by YARG, is efficient or effective in terms of project purpose. The quality of training programs, especially in the U.S., is somewhat in doubt, as placement, counseling and monitoring seem to be inadequate in general and not sufficiently sensitive in particular to the special needs of Yemeni students in training and of YARG upon their return. The consequences are serious, relating directly to the project's goals and objectives. Therefore, USAID/Y recommends that the functions outlined in Section G.6.c. be performed by a qualified, experienced contractor familiar with the unique needs of these participants and their sponsoring agencies.

a. Rationale

The specific factors supporting this recommendation are spelled out below. The intent of this discussion is not to direct undue criticism toward USAID/Y project staff or other parties charged with providing associated services. To the contrary, it is to focus attention on critical problem areas and indicate the potential of a qualified contractor to make the required improvements.

(1) The USAID/Y staff allocation is insufficient given current circumstances. Even where the USAID/Y staff increased, problems originating in the U.S. or third countries would be no more easily resolved than they are now.

(2) If administrative burdens continue, even at a somewhat reduced rate, USAID/Y staff will be diverted from functions which it alone can and should perform. These include the development and maintenance of working relationships with YARG officials and other donors committed to human resource development in Yemen. This is essential if USAID/Y is going to influence the nomination process, stimulate the award of scholarships on the basis of merit and facilitate the marriage between the use of training opportunities and real manpower needs.

(3) U.S. placement services are unsatisfactory to USAID/Y and do not demonstrate an appreciation for the special needs of Yemeni students, the nature of the positions they will assume upon return, or the human resource interests of YARG. Placements are sometimes inappropriate in terms of the programs offered, and/or some of the institutions may be of questionable quality. It also appears that the range of institutions considered is limited. The consequences will increase in degree as the focus of O40 shifts toward the U.S. graduate level. A contractor knowledgeable about Yemen, familiar with the wide range of institutions in the U.S., and skilled in the placement of foreign students would increase the potential impact of O40 on YARG development.

(4) U.S. counseling services are also unsatisfactory. Participants appear to rely on campus-based resources who are frequently unfamiliar with USAID goals and regulations and who lack an

understanding of YARG's expectations from the student. In order to ensure that the course of study is correct and that personal adjustment is adequate, AID-related counseling services should be provided. USAID/Y believes that this critical function could be served by a qualified contractor.

(5) U.S. participant monitoring is another serious problem for USAID/Y at this time. In many instances, USAID/Y does not receive timely and regular notice of student progress and is surprised, usually after the fact, to learn that a participant has taken only a partial course load or has initiated a request for extension without his or her sponsor's knowledge. As a result, it is difficult for USAID/Y to control expenditures and YARG's planned resource requirements are not fulfilled in a timely manner.

(6) Third-country resources for participant counseling and monitoring are not available to USAID/Y except from the training institutions themselves, and these are insufficient to ensure the smoothest possible course of study for participants, nor are they sufficiently accountable to USAID. A contractor with representatives in the Arab world could greatly facilitate the third country training component.

(7) While YARG's interests are shifting towards U.S. training at the graduate level, USAID/Y believes that short-term Arabic language training programs would also be well received and that they would constitute a relatively inexpensive way to meet some of YARG's critical manpower needs. The Mission itself is unable to keep abreast of such possibilities, but this task could be performed by a knowledgeable contractor.

(8) As mentioned earlier, USAID/Y is unable to do participant follow-up because of its heavy administrative workload and because of the lack of communication from the U.S. regarding course progress and return notification. As a result, Project 040 performance is not in compliance with Handbook 10 and critical data for assessing project impact are not being gathered. A contractor with resources in Yemen, the U.S. and third countries, if assigned the tasks suggested in Section G.6.c., could correct this deficiency.

(9) It is difficult at this point for USAID/Y to determine the relative cost of contracting out versus continuation under the present system where it is likely that cost-effectiveness is poor. On the other hand, it is also possible that the recommended alternative is more expensive. However, USAID/Y believes that the increased benefits would far outweigh a potential increase in cost and that a cost-benefit analysis would favor the use of a qualified contractor committed specifically to the goals, objectives and operation of this particular project.

b. Objectives

The objectives of a special procurement would be:

- (1) To facilitate the performance by USAID/Y of its important policy and consultation tasks associated with YARG and other donors.
- (2) To improve the quality of placement, counseling, monitoring and reporting services in the U.S. and third countries.
- (3) To develop continuity of approach to the project in Yemen, the U.S. and third countries.

(4) To broaden the awareness of USAID/Y and YARG of Arab-language training opportunities, particularly short-term, potentially available to Yemeni participants.

(5) To bring actual implementation of Project 040 into full compliance with all USAID regulations.

(6) To enhance the value of the training experience for the individual, the sponsor and YARG.

(7) To increase the ratio of benefit to cost regarding all project expenditures.

c. Contractor Tasks

The contractor should be responsible for participant processing immediately following nomination and up to and including follow-up. This includes, but may not be limited to:

- (1) Evaluation/screening of nominees.
- (2) Dossier assembly.
- (3) Supervision of language and scholastic testing.
- (4) Placement.
- (5) Predeparture counseling.
- (6) Liaison with YARG sponsors.
- (7) Travel and visa arrangements, logistics.
- (8) Predeparture orientation.
- (9) Arrival orientation in country of study.
- (10) Counseling during training.
- (11) Action-oriented monitoring.

- (12) Progress reporting to USAID/Y and YARG sponsor.
- (13) Completion interview prior to return to Yemen.
- (14) Debriefing upon return.
- (15) Follow-up.
- (16) Disbursement of allowances, tuition, other participant-related costs.
- (17) Identification of short-term training programs, especially Arab-speaking.

Refer to Appendix B for further discussion.

d. Contractor Qualifications

USAID/Y believes that the interests of Project 040 will best be served if the contractor is experienced in the start-to-finish administration of participant training programs for Arab students in the U.S. and third countries and has (or can rapidly establish) functional organizations or representatives in Yemen, the U.S., and Arab third countries. Communications systems must be in place so that information and response can be rapidly transmitted. Knowledge of and easy access to a wide range of U.S. and Arab third country training institutions is also mandatory, as is the administrative capability to manage the project efficiently and effectively. Most important, the contractor must be able to demonstrate its understanding of the characteristics and needs of Yemeni students, the nature of the jobs to which they will return, and the current and projected manpower needs of YARG.

e. Contract Period

The contract should be procured as soon as possible to facilitate the administration of the remainder of Project 040 with an option for USAID to extend the contract to cover similar services associated with a follow-on project scheduled for implementation January 1983.

7. USAID Mission's Responsibilities

a. Each year the USAID Mission will provide broad guidelines to YARG regarding the fields in which USAID will consider nominees for training. These guidelines will reflect the YARG Human Resources Planning Unit's recommendations and USAID's special sectoral emphases.

b. Upon receiving YARG's (i.e., the CPO and Ministry of Education) nominations for training, the USAID Mission will so advise the contractor; and USAID will determine final selection of participants based on established criteria.

c. The USAID Mission will monitor all contractor performance in Yemen.

d. The USAID Mission will maintain liaison with YARG and other donor agencies regarding human resource development in Yemen.

8. YARG Responsibilities

a. Currently, the Ministry of Education selects nominees for undergraduate training and the Central Planning Organization approves nominees from the various ministries for mid-career training programs, including masters degrees and short-term training. It is the YARG's responsibility to see that nominations are made in approved USAID fields

at an early enough date to enable attendance at YALI and to allow for the placement process. Smooth functioning of this will require, at minimum, a qualified staff in the scholarships section and may require possible reforms at the ministry levels. Turnover of scholarship section employees must also be kept at a minimum.

b. The CPO will provide office accommodations for the human resources planning advisor, a counterpart with at least a bachelor degree, supplies and secretarial services. Based upon the advisor's recommendations, the YARG (and USAID) may wish to institutionalize the human resources planning function into a permanent unit or department, and expand the counterpart staff to two or three and the advisors to two. The YARG should make the institutional arrangements necessary to see that the advisor's recommendations are used to guide in-country education planning and foreign scholarships policy.

#### 9. Monitoring Arrangements

The contractor will be responsible for maintaining records and monitoring progress and for making this information available to USAID. Files should be kept on all nominees for USAID training which will include: (a) YARG letters of nomination; (b) background information such as bio-data forms and school transcripts; (c) the participant's attendance and grade record at YALI and the YALI Director's recommendation regarding his potential; (d) summary of the interview with the candidate and basis for final section decision; (e) training program information of those selected including fields of study, institution, grades and degrees earned, and dates of departure and return; and (f) follow-up information such as employment since return.

The YALI Director will be responsible for submitting information regarding each participant's performance at YALI to the contractor.

The YARG scholarships sections of the CPO and the Ministry of Education should also keep similar information in files on training participants from various donors as well as summary tables. It will be the responsibility of the HRPV advisors to recommend a workable filing system and summary tabulation plan on participants studying abroad and to assist in training staff in the scholarships section on how to implement these record systems. Particularly important is the gathering of basic follow-up information from returned participants (such as return rates, employment status and utilization of training) which should ideally be done by annual surveys.

In addition to the above, the HRPV advisors and the YALI Director of Courses will also present bi-annual reports to the YARG and the USAID Mission regarding progress and obstacles encountered in meeting project inputs, outputs and purpose.

#### 10. Evaluation Arrangements

An evaluation of Project 040 was completed August 1980 by Development Associates, Inc. The revised Project Paper has attempted to address many of the concerns expressed in the evaluation.

Though the revised budget makes allowance for a second evaluation, USAID will determine its appropriateness and usefulness at a later date. At this time, USAID believes that the first evaluation provided the necessary information and guidelines to determine the direction the project should take for the remainder of its implementation and, therefore, that another evaluation will not be required.

In lieu of a final project evaluation, the Mission, assisted by the contractor, will prepare a final report of O40 in FY 85, that is, approximately two years after all participants have been selected and appropriately placed in academic institutions.

APPENDIX A  
PROJECT DESIGN SUMMARY  
LOGICAL FRAMEWORK

A. PROJECT DESIGN SUMMARY

LOGICAL FRAMEWORK

PROJECT TITLE AND NUMBER: Development Training Project 040

| NARRATIVE SUMMARY   | OBJECTIVE VERIFIABLE INDICATORS  | MEANS OF VERIFICATION   | IMPORTANT ASSUMPTIONS   |
|---|--|---|---|
| <p>Program or Sector Goal: The broader objective to which this project contributes: (A-1)</p> <p>Improve YARG's capability for planning, administration and implementation of development programs, especially those bringing services, infrastructure and other benefits to the poor population.</p> | <p>Measures of Goal Achievements (A-2) (Specified on the basis of individual problems.)</p> <p>AID returned participants' contributions to implementation of development plans, especially those programs which have large, formal spread effects to the general population.</p>   | <p>(A-3)</p> <p>(1) USAID reports.</p> <p>(2) YARG personnel records and Scholarship Section's participant files.</p> | <p>Assumptions for achieving goal targets: (A-4)</p> <p>(a) YARG will have the necessary capital and infrastructure required to carry out economic and social development programs employing returned participants.</p> <p>(2) YARG will provide proper incentives/enforcement to guarantee that returned participants will work on project most directly benefiting the rural poor, often considered to be "hardship posts."</p> |
| <p>Project Purpose: (B-1)</p> <p>(1) To provide YARG with adequately trained manpower in fields of high development priority (especially those occupations with high spread-effects) to persons who will occupy positions of responsibility in the Government.</p>                                    | <p>Conditions that will indicate purpose has been achieved; End-of-Project Status: (B-2)</p> <p>Number of participants returning to YARG employment. Numbers in positions of responsibility. Numbers utilizing training and transmitting knowledge to others.</p> <p>Numbers in priority development fields as identified by manpower planning unit.</p> | <p>(B-3)</p> <p>USAID reports and follow-up surveys of returned participants.</p>                                     | <p>Assumptions for achieving purpose: (B-4)</p> <p>- YARG will provide proper incentives/enforcement to help guarantee that participants return and continue in Government employment for a reasonable length of time.</p> <p>- Returned participants are given positions that are relevant to their training and at levels where they can exercise authority/responsibility.</p>   |

| NARRATIVE SUMMARY  | OBJECTIVE VERIFIABLE INDICATORS   | MEANS OF VERIFICATION  | IMPORTANT ASSUMPTIONS   |
|--|---|--|---|
| <p>(2) The Human Resources Planning Unit playing an effective role in directing Yemen's education planning and training programs abroad towards filling priority manpower requirements.</p>  | <p>Extent to which YARG's in-country education planning and training opportunities abroad are guided by Human Resources Planning Unit's analyses of priority requirements</p>   | <p><b>-USAID Reports.</b></p> <ul style="list-style-type: none"> <li>- Advisor's progress reports.</li> <li>- Scholarship section's training files.</li> <li>- Education plans</li> <li>- Central follow-on program (YARG's)</li> </ul>  | <p>YARG accepts Human Resources Planning Unit's analyses and recommendations and is able to implement.</p> <p>Prerequisite institutional reforms can be made.</p>   |
| <p>Project Outputs: (C-1)</p> <p>(1) Yemen American Language Institute operating effective, short-term intensive English courses.</p> <p>(2) HRPU is created, functioning and turned over to Yemeni counterparts successfully.</p> <p>(3) Participants successfully complete training.</p> | <p>Magnitude of Outputs: (C-2)</p> <p>(1) Adequate numbers of nominees are attending and passing English courses to enable participant training annual commencement targets (see participant training inputs for quantities).</p> <p>(2) HRPU (a) engages in data collection activities, (b) produces useful reports including manpower demand and supply projections, (c) recommends priority fields in training, (d) advises institutional reforms for improving the process of selection, monitoring and placing training participants.</p> <p>(3) Maximum total participants completing training by end of FY 86:</p> <ul style="list-style-type: none"> <li>135 obtain U.S. undergraduate degrees</li> <li>120 obtain U.S. graduate degrees</li> <li>33 obtain AUB/AUC undergraduate degrees</li> <li>76 obtain Arab-speaking university undergraduate degree</li> <li>38 complete short-term non-degree training</li> <li>40 complete long-term non-degree training</li> <li>10 attend seminars/conference</li> </ul> | <p>(C-3)</p> <p>YALI records and exams; progress reports from Director of Courses.</p> <p>Published surveys and reports from manpower planning unit.</p> <p>Follow-up surveys of returned participants.</p> <p>SER/IT or contractor reports of participants' progress and return YARG scholarship section's files.</p> | <p>Assumptions for achieving outputs: (C-4)</p> <p>YARG agrees to release nominees from job obligations for intensive YALI courses.</p> <p>Yemeni counterparts have been trained in manpower planning and have spent at least one year in Unit learning from advisors before taking over Unit.</p> <p>Dropout rates and failures kept to minimum.</p> |

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| NARRATIVE SUMMARY   | OBJECTIVE VERIFIABLE INDICATORS  | MEANS OF VERIFICATION   | IMPORTANT ASSUMPTIONS   |
|---|--|---|---|
| <p>Project Inputs: (D-1)</p> <p><u>USAID Contribution</u></p> <p>(1) Mission project management staff</p> <p>(2) YALI staff</p> <p>(3) HRPU Advisors</p> <p>(4) Participant training - tuition and per diem costs, travel from terminal point of Yemenia to U.S. and return</p> | <p>Implementation Target (Type and Quantity) (D-3) (D-2)</p> <p>1 Project manager<br/>2 Professionals (25% each)<br/>2 Local direct hires</p> <p>1 Director of Courses<br/>2 Full-time professional TOEFL teachers<br/>4 Part-time teachers</p> <p>1 Long-term advisor<br/>Several short-term advisors</p> <p>See Table 2.</p> | <p>AID project monitoring sources.</p> <p>SAME</p> <p>SAME</p> <p>SAME<br/>USAID participant files.</p> | <p>Assumptions for providing inputs (D-4)</p> <p>Political situation fosters continued operation of YALI. YANG agrees to short term intensive courses at YALI and agrees to release nominees from work obligation YANG agrees to advisors and creation of unit; YANG will provide office space, supplies and salaries of Yemeni staff, including counterparts and secretarial services.</p> <p>Qualified candidates, including up to 15% women are nominated in each category and in the case of those going to U.S. and other English-speaking universities (e.g. AUB), pass YALI selection process.</p> |

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| NARRATIVE SUMMARY  | OBJECTIVE VERIFIABLE INDICATORS  | MEANS OF VERIFICATION | IMPORTANT ASSUMPTIONS  |
|--|--|-----------------------|--|
| <p>Project Inputs: (D-1)</p> <p><u>YARG Contribution</u></p> <p>(1) Yemen America Language Institute staff</p> <p>(2) Manpower Planning Unit Staff and supporting facilities</p> <p>(3) Participant training</p> | <p>Implementation Target (Type and Quantity) (D-3) (D-2)</p> <p>2 part-time teachers or financial contribution</p> <p>1-2 qualified Yemeni counterparts</p> <p>Office space, furniture, supplies and secretarial services</p> <p>Salaries of participants while in training travel costs from Yemen to terminal point of Yemenia and return, services of YARG scholarship sections officials</p> | <p>SAME</p>           | <p>Assumptions for providing inputs (D-4)</p> <p>YARG agrees to short-term intensive courses at YALI and releases nominees from work obligation. YARG agrees to creation of unit and qualified counterparts and secretary can be found, hired and kept.</p> <p>Qualified staff can be found, hired and kept.</p> |

50(2) 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: IS COUNTRY CHECKLIST UP TO DATE?  
HAS STANDARD ITEM CHECKLIST BEEN REVIEWED FOR THIS PROJECT?

A. GENERAL CRITERIA FOR PROJECT

1. FY 79 App. Act Unnumbered; FAA Sec. 653 (b); Sec. 634A. (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)?

a. Notification via AID/W annual Congressional Presentation or other approved notification process by AID/W

b. Yes

2. FAA Sec. 611(a) (1). 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 of the U.S. of the assistance?

a. N/A

b. YES

3. FAA Sec. 611(a) (2). 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?

NO

4. FAA Sec. 611(b); FY 79 App. Act Sec. 101. If for water or water-related land resource construction, has project met the standards for planning Water and Related Land Resources dated October 25, 1973?

N/A

5. FAA Sec. 611(a). 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?

N/A

6. FAA Sec. 209. 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.

NO

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.

a. YES  
b. YES  
c. NO  
d. YES  
e. YES  
f. NO

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).

Training in U.S. familiarizes Yemenis about U.S. goods/services as well as methods of conducting U.S. and international trade.

9. FAA Sec. 612(b); Sec. 636(h). 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.

Project Agreement specifies Host Country contributions including salaries, partial air transportation, etc.

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?

NO

11. FAA Sec. 601(a). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise?

YES

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

N/A

to cause substantial injury to U.S. producers of the same, similar, or competing commodity?

**B. FUNDING CRITERIA FOR PROJECT**

**1. Development Assistance Project Criteria**

a. FAA Sec. 102(b); 111; 113; 281a. Extent to which activity will (a) effectively involve the poor in development, by extending access to economy at local level, increasing labor-intensive production and the use of appropriate 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?

- a. Indirect, small effect.
- b. Nil effect.
- c. Significant effect.
- d. Significant effect.
- e. Small effect.

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.)

Project is under EHRD account, but training is cross-sectoral.

(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;

N/A

(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

N/A

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.

(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;

YES. Project aims to strengthen YAR's human resources base, and thereby improve YARG's institutional capacity to initiate and sustain development.

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

N/A

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

N/A

(ii) to help alleviate energy problems;

N/A

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

N/A

(iv) reconstruction after natural or manmade disaster;

N/A

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

N/A

(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.

N/A

c. (107) Is appropriate effort played on use of appropriate technology?

N/A

d. FAA Sec. 110(a). Will the recipient country provide at least 25% 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)?

Waiver Granted in Project Authorization.

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

N/A

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.

YARG places high priority upon training of key individuals in the U.S.A., to support and catalyze development in YAR.

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

YES

2. Development Assistance Project Criteria (Loans Only)

N/A

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

N/A

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?

N/A

3. Project Criteria Solely for Economic Support Fund.

N/A

B - 6

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?

N/A

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

N/A

Development Training II  
279-0040

B - 7

5C(3) 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 United States on commodities financed? N/A
  
4. FAA Sec. 604(c). 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? N/A
  
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 90(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. N/A

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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 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(j). 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? N/A

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? N/A

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

#### C. Other Restrictions

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

2. FAA Sec. 301(d). If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General N/A

3. FAA Sec. 620(h). Do arrangements preclude promoting or assisting the foreign aid projects or activities of Communist-bloc countries, contrary to the best interests of the United States? YES

4. FAA Sec. 636(i). Is financing not permitted to be used, without waiver, for purchase, longterm lease, or exchange of motor vehicle manufactured outside the United States, 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 multi-lateral organizations for lending.) 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 or propaganda purposes within United States not authorized by the Congress? YES

SECOND AMENDMENT  
TO  
PROJECT AUTHORIZATION

Name of Country: Yemen  
Arab Republic      Name of Project: Development  
Training II

Number of Project: 279-0040

1. Pursuant to Part I, Chapter 1, Section 105 (Education and Human Resources) of the Foreign Assistance Act of 1961, as amended, the Development Training II Project for the Yemen Arab Republic was authorized on February 14, 1978 and amended on August 3, 1978, for total life-of-project funding of \$15,587,000. That authorization, as previously amended, is hereby further amended as follows:

Total Project funding is increased by not to exceed Four Million Two Hundred Sixty Eight Thousand Dollars (\$4,268,000), over a one-year period from the date of this amendment, subject to the availability of funds in accordance with the A.I.D. OYB/Allotment process, for total A.I.D. funding of up to \$20,174,000 to continue the financing of foreign exchange and local currency costs for Project activities.

2. The authorization cited above remains in force except as hereby amended. The planned life of the project has been extended to December 31, 1987.

  
\_\_\_\_\_  
W. Antoinette Ford

28 FEB 1983

\_\_\_\_\_  
Date

Clearances:

GC/NE:GDavidson JS Date 2/22  
NE/TECH:KSherper KS Date 2/10/83  
NE/NENA:DCohen DC Date 2/10/83  
NE/DP:CJohnson CJ Date 2/22  
DAA:BLangmaid BL Date 2/22

Drafted by GC/NE:BJan:Jan:paj:12/21/82

## ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR, BUREAU FOR NEAR EAST

FROM : NE/TECH, Kenneth Sherper *KS*

SUBJECT: Development Training II Revised Project: 279-0040, Yemen Arab Republic

Problem: Your authorization is requested to increase life-of-project (LOP) funding from \$15.587 million to \$20.174 million for the subject project with an FY 1983 allotment of \$4.268 million and to extend the project's PACD from 1986 to 1987.

Background: The Development Training II Project was originally authorized by the Deputy Administrator on February 14, 1978 and amended by the Assistant Administrator, Near East Bureau, on August 3, 1978 with an LOP of \$15.587 million. On December 22, 1981, the Near East Advisory Committee reviewed a revised project paper and approved a proposed amendment (State 025899, 1/30/82), which increases the LOP to \$20.174 million.

Discussion: Because of inflation, the expansion of the Yemen-America Language Institute under this project, the extension of a small business contract to work with the Human Resources Planning Unit of the Central Planning Organization of the YARG, and the unexpected need for Yemeni ex-AUB students to complete their training in the U.S. and third countries, the increase in the project LOP became necessary, as well as an extension of the PACD by one year to December 31, 1987.

Since this is an ongoing project, human rights considerations under Section 116 of the Foreign Assistance Act of 1961, as amended, do not pertain. A Congressional Advice of Program Change was submitted to Congress on February 4, 1983, and the waiting period expired without objection on February 19, 1983.

Recommendation: That you approve the revised project and increased project funding by signing the attached Project Authorization Amendment.

Attachments:

Revised Project Paper, Development Training II  
NEAC Cable: State 025899, 1/30/82  
Project Authorization, 2/14/78  
Advice of Program Change, 2/4/83

Clearances:

NE/TECH/HRST, B. Heyman (draft)  
NE/NENA/Y, C. Crowley (draft)  
GC/NE, G. Janigian (draft)  
NE/DP, C. Johnson  
DAA/NE, B. Langmaid

*[Signature]*  
(1/11/83)

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A.I.D. PROJECT NO. 279-0040  
Development Training II

FIFTEENTH AMENDMENT

TO THE

PROJECT GRANT AGREEMENT

DATED FEBRUARY 27, 1978

BETWEEN

THE YEMEN ARAB REPUBLIC ("Y.A.R.")

AND

THE UNITED STATES OF AMERICA

ACTING THROUGH THE

AGENCY FOR INTERNATIONAL DEVELOPMENT ("A.I.D.")

Date: March 28 1983

CONFIRMED COPY

Appropriation: 72-1131021.5  
Budget Plan Code: NDAA-83-23279-EG13

Total Obligations to date: \$20,174,100

A.I.D. Project No. 279-0040  
Development Training II  
Page 2 of 3 Pages

For the purpose of increasing the amount of funds obligated by A.I.D. for the project by Four Million Two Hundred Sixty Eight Thousand United States Dollars (U.S. \$4,268,000), the Project Grant Agreement is amended as follows:

PART I OF AMENDMENT FIFTEEN

Section 3.1 of the Grant Agreement, as amended, is further amended by deleting the words Fifteen Million Nine Hundred Six Thousand One Hundred U.S. Dollars (U.S. \$15,906,100), and substituting therefor the words Twenty Million One Hundred Seventy Four Thousand One Hundred United States Dollars (U.S. \$20,174,100). These funds are to be used as set forth in Budget Annex . to this Amendment.

PART II OF AMENDMENT FIFTEEN

This Project Grant Agreement Amendment shall enter into force when signed by all the Parties hereto.

PART III OF AMENDMENT FIFTEEN

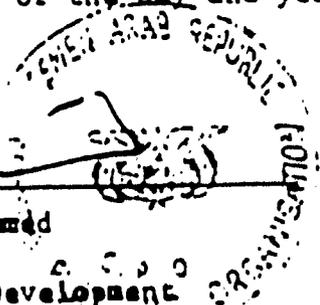
Except as specifically amended, hereby, the Project Grant Agreement dated February 27, 1978, as previously amended, between the Y.A.R. and A.I.D. shall remain in full force and effect.

IN WITNESS WHEREOF, the Yemen Arab Republic and the United States of America, each acting through its respective and duly authorized representative, have caused this Fifteenth Amendment to the Grant Agreement to be signed in their names and delivered as of the day and year first above written.

YEMEN ARAB REPUBLIC

By: Fuad Ka'id Mohammed  
Fuad Ka'id Mohammed

Title: Minister For Development  
and Chairman, Central  
Planning Organization



UNITED STATES OF AMERICA

By: David E. Zweifel  
David E. Zweifel

Title: Ambassador, to  
The Yemen Arab Republic

By: Charles F. Weller, Jr.  
Charles F. Weller, Jr.

Title: Acting Director  
USAID/Yemen

A.I.D. Project No. 279-0040  
Development Training II  
Page 3 of 3 Pages

ANNEX I  
ILLUSTRATIVE BUDGET

| <u>CATEGORY</u>      | AMOUNT      |
|----------------------|-------------|
| Participant Training |             |
| U.S.                 | 3,326,000   |
| Third Country        | 409,000     |
| YALI                 | 500,000     |
| Other Costs          | 33,000      |
|                      | <hr/>       |
| TOTAL                | \$4,268,000 |

February 4, 1983

We wish to inform you of proposed actions  
in the Agency's programs during Fiscal  
Year 1983:

Yemen Arab Republic - Development Training II — #130  
Africa Regional - Technical Notification

The attached notifications were sent to the Hill on 2/4/83.  
Obligation may be incurred on 2/19/83.

Marianne O'Sullivan  
Program Presentation Division  
Office of Legislative Affairs

Drafted by: NE/TECH/HRST, ETChapman:X23228: 1/5/83

Clearances:

|                               |             |      |         |
|-------------------------------|-------------|------|---------|
| AA/NE, W. Antoinette Ford     | WAF         | Date | 2/3/83  |
| DAA/NE, B. Langmaid           |             | Date | 2/3/83  |
| NE/OP, Charles Johnson        |             | Date | 2/2/83  |
| GC/LP, Robert Lester          |             | Date | 2/1     |
| NE/TECH, Kenneth Sherper      |             | Date | 2/1/83  |
| NE/NEA/Y, Christopher Crowley | (draft)     | Date | 1/11/83 |
| GC/NE, M. A. Kieinjar         | (draft)     | Date | 1/5/83  |
| NE/OP, Peter Sellar           | (draft) VOS | Date | 1/10/83 |
| NE/TECH/HRST, B. Heyman       | (draft)     | Date | 1/11/83 |

ACTIVITY DATA SHEET

|   |  |   |   |   |                          |
|---|--|---|---|---|--------------------------|
| PROGRAM: Yemen  |  | FUNDS: Education and Human Resources                            |   | PROPOSED OBLIGATION (in thousands of dollars) |                          |
| TITLE: Development Training II  |  | PRIOR REFERENCE: FY 1981 CP Annex IV, Near E&E Programs; p. 165 |   | FY 83   | LIFE OF PROJECT: 20, 1/4 |
| NUMBER: 279-6046  | NEW <input type="checkbox"/>                   | ESTIMATED FINAL OBLIGATION: FY 83                               | ESTIMATED COMPLETION DATE OF PROJECT: FY 87 |   |                          |
| GRANT <input checked="" type="checkbox"/> LOAN <input type="checkbox"/> | CONTINUING <input checked="" type="checkbox"/> |   |   |   |                          |

**Purpose:** To help provide the Yemen Government (YARG) with adequately trained manpower in fields of high development priority and thus improve the YARG's capability for planning, administering and implementing its development programs.

**Background:** During the first Five Year Plan and now, in the infancy of the second Five Year Plan, emphasis on improving Yemen's human resources has been second only to continued development of the agriculture sector. Because of a lack of adequate higher-level educational institutions within Yemen, the YARG continues to send many students abroad for training to subsequently staff YARG institutions. The YARG's dependence on external donors to finance and assist in human resources development will continue for years to come.

**Project Description:** This project will contribute toward achieving the manpower development objectives outlined in the second Five Year Plan by (a) financing the training abroad of Yemeni public servants in fields of high development priority, (b) funding human resource planning advisors to assist the YARG in establishing a Human Resources Planning Unit to direct education planning and training programs towards filling priority personnel requirements, and (c) funding English teachers and a director of courses to assist the Yemen America Language Institute to operate effectively.

**Relationship of Project to A.I.D. Country Strategy:** Education (manpower development) is the YARG's second highest development priority. With increased numbers of educated people in Yemen, the YARG will be better able to meet its second Five Year Plan goals regarding basic human needs, economic development, and institutional development. These are also key priorities of U.S. assistance to Yemen.

**Host Country and Other Donors:** The YARG will release salaried employees for language training and U.S. training, fund a portion of international travel, and provide key staff in the central Planning Organization and Ministry of Education to manage the participant training program for the YARG.

**Beneficiaries:** The principal beneficiaries will be the more than 400 Yemeni who receive training. The general population will benefit from improved management and administration of YARG development institutions, both public and private, and resultant improvement in the general quality of life.

**Major Outputs:**

|   | <u>All years</u> |
|---|------------------|
| Participants trained:                                   |                  |
| U.S. undergraduate                                      | 125              |
| AUB or AUC undergraduate                                | 33               |
| Arab-speaking universities (undergraduate)              | 76               |
| U.S. graduate   | 120              |
| Short and long term non-degree in:                      |                  |
| U.S. or Arab country                                    | 88               |
| Yemen-American Language Institute operating effectively | 1                |
| Human Resources Planning Unit operating effectively     | 1                |

**A.I.D.-Financed Inputs:**

|  | <u>(\$ Thousands)</u><br><u>Life of Project</u> |
|--|---|
| Technical assistance (11 person years) | \$ 1,435  |
| Participant Training                   | 18,739  |
|  | \$20,174  |

| U.S. FINANCING (in thousands of dollars) |             |                         |                      | PRINCIPAL CONTRACTORS OR AGENCIES                                      |
|--|-------------|-------------------------|----------------------|--|
|  | Obligations | Expenditures            | Unliquidated         |  |
| Through September 30, 1961               | 10,706      | 5,499                   | 5,207                | Action Programs International, Inc.<br><br>Personal Services Contracts |
| Estimated Fiscal Year 1982               | 5,200       | 3,197                   | 1,500                |  |
| Estimated through September 30, 1982     | 15,906      | 8,696                   | 7,210                |  |
|  |             | Future Year Obligations | Estimated Total Cost |  |
| Fiscal Year 1983                         | 4,268       | -                       | 20,174               |  |

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UNCLASSIFIED  
Department of State

OUTGOING  
TELEGRAM

PAGE 01 STATE 025889  
ORIGIN AID-20

1288 806982 A101258

STATE 025889

1288 806982 A101251

HUMAN RESOURCES PLANNING UNIT (HRPU) AND THE IMPACT THIS UNIT IS HAVING ON RESOURCE PLANNING WITHIN THE CPO. HOW EFFECTIVELY HAS THIS UNIT PERFORMED TO DATE AND WHAT ARE ITS PROSPECTS?

ORIGIN OFFICE HEIC-04

INFO NEPB-04 AANE-01 NEDP-02 NENA-03 PPCE-01 POPR-01 PPPB-03  
GC-01 GCFL-01 GCNE-01 IT-06 RELO-01 MAST-01 /030 AS 330

INFO OCT-88 AMAD-01 /021 R

DRAFTED BY AID/NE/TECH/HRST, EFALES: AID/NE/NENA, CCROWLE  
APPROVED BY AID/A-AA/NE, BLANGMAID  
AID/NE/TECH/HRST, SNEYMAN  
AID/NE/DP/PR, GIBBONNELLY (DRAFT)  
AID/NE/NENA/Y, CCROWLEY (DRAFT)  
AID/NE/DP, EBALOVIN (DRAFT)  
AID/NE/PB/NENA, PYNOLMES (DRAFT)  
AID/GC/NE, BIANIGIAN (DRAFT)  
AID/STT/IT, LINDORHAM (DRAFT)  
AID/PPC/PPDR, FRETCH (DRAFT)

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R 301604Z JAN 82  
FM SECSTATE WASHDC  
TO AMEMBASSY SANA'A

UNCLAS STATE 025889

ADM AID

E.O. 12958: N/A

TAGS:

SUBJECT: YEMEN: DEVELOPMENT TRAINING II (278-8848)

Appendix F

1. THE NEAR EAST ADVISORY COMMITTEE (NEAC) MET ON DECEMBER 23, 1981 AND APPROVED THE AMENDMENT TO THE DEVELOPMENT TRAINING II (048) PROJECT-PAPER WITH THE FOLLOWING AREAS SUBJECT TO FURTHER ATTENTION.

2. AID/W STILL FINDS IT DIFFICULT TO GET A HANDLE ON THE ENGLISH LANGUAGE TRAINING COMPONENT FOR ALL OF OUR TRAINING PROGRAMS IN YEMEN AND REMAINS CONCERNED ABOUT THE MULTIPLICITY OF ACTIVITIES IN THIS AREA. THE NEAC RECOMMENDS THAT THE MISSION REVIEW THESE ACTIVITIES AND DEVISE ALTERNATIVE STRATEGIES FOR STRENGTHENING THE PROGRAM CONSOLIDATING AS MANY OF THESE ACTIVITIES AS POSSIBLE UNDER ONE ROOF. THESE STRATEGIES COULD INCLUDE THE ESTABLISHMENT OF A PROGRAM UNDER AN INSTITUTIONAL CONTRACT EITHER UNDER THE GENERAL PARTICIPANT TRAINING PROJECT OR, PERHAPS AS A SEPARATE PROJECT. SIMILAR PROJECTS HAVE BEEN USED ELSEWHERE TO INSTITUTIONALIZE AND COORDINATE ENGLISH LANGUAGE TEACHING FUNCTIONS TO RESPOND TO A COUNTRY'S RELATIVELY

ONE TERM ENGLISH NEEDS. THESE NEEDS MIGHT INCLUDE: PREPARATION OF STUDENTS TO TAKE ADVANTAGE OF TRAINING OPPORTUNITIES IN ENGLISH SPEAKING INSTITUTIONS, REFRESHER COURSES FOR THOSE WHOSE WORK REQUIRES THEM TO KEEP ABREAST OF SCIENTIFIC AND TECHNICAL DEVELOPMENTS PUBLISHED IN ENGLISH, TEACHING OF ENGLISH AS A FOREIGN LANGUAGE (TOEFL) CURRICULUM REFORM AT SECONDARY AND PRIMARY LEVELS, MATERIALS DEVELOPMENT, ETC.

3. PERHAPS THE BEST TIME TO CONSIDER THESE QUESTIONS IN DETAIL WOULD BE DURING THE PREPARATION OF THE FOLLOW-ON PROJECT DEVELOPMENT TRAINING III (018). AID/W SUGGESTS THAT USAID FORM A MISSION-WIDE (E.G., STATE, ICA, DOD, CIB, (FNU) TASK FORCE TO ADDRESS THIS ELEMENT OF THE NEW PROJECT.

4. THE PP FOR DEVELOPMENT TRAINING III (023) SHOULD DESCRIBE MORE COMPLETELY THE ROLE AND FUNCTIONS OF THE

5. WE NEED SOME CLARIFICATION ON BUDGET ITEMS. ITEM F, 1 ON PAGE 35 OF THE PP INDICATES THAT USAID WILL FUND THE MISSION PROJECT MANAGER AND THE SERVICES OF TWO OTHER PROFESSIONALS ON A 25 BASIS EACH. PLEASE CLARIFY THIS. ASSUMING THAT THESE PERSONNEL ARE NOT DIRECT HIRE (AND THEREFORE NOT BEING FUNDED OUT OF OPERATING EXPENSES) PLEASE IDENTIFY THEM AND BASIS FOR FUNDING.

6. IS THERE ANY LETTER OF UNDERSTANDING WITH THE PEACE CORPS REGARDING THEIR CONTRIBUTION OF THREE ENGLISH TEACHERS FOR YALIT IF NOT, AND IN THE ABSENCE OF ALTERNATIVE PROGRAMS FOR ENGLISH TRAINING, WE THINK THERE SHOULD BE ONE.

7. NEAC APPROVED MISSION DECISION TO GO THROUGH WITH CONTRACT TO ADMINISTER PARTICIPANT TRAINING PROGRAM. WE UNDERSTAND THAT P10/T IS BEING PREPARED BY THE MISSION. AID/W WILL INITIATE COMPETITIVE PROCUREMENT PROCEDURES WHEN P10/T RECEIVED.

8. REGRET DELAY IN PROVIDING NEAC RESULTS, AND HOPE DELAY HAS NOT HELD UP FORWARD MOVEMENT ON PROJECT ACTIVITIES. HAIG

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Yemen Arab Republic  
PRIME MINISTER'S OFFICE  
CENTRAL PLANNING ORGANISATION  
P.O. Box 175 - SANA'A  
Teleg CERPLAN Phone : 2982-3

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ  
RCD 27 Jul 77  
ACTION: PROG  
INFO: DIR DD  
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الجمهورية العربية اليمنية  
رئاسة مجلس الوزراء  
الجهاز المركزي للتخطيط  
تسبيل برقم ١٧٥ - صنعاء  
تلفونياً : صنعاء ٢٩٨٢ - ٣

Dept  
Our Ref **68-98**  
Date - **27 JULY 1977**  
Subject - ...

ملف رقم  
تاريخ

الموضوع

Mr. Aldoine Ruiz,  
Director,  
USAID/Yemen,  
Sana'a

Dear Mr. Ruiz,

The USAID mission has been sending Yemenis to training abroad under Project O20, Training for YAR Development, since FY 1975. The Yemen Government has been very pleased with the results of this project and with the participants who have returned to Yemen. We are very aware that Project O20 will be terminating at the end of your fiscal year, 30 September 1977. The need, however, to continue to train Yemenis at all levels remains.

In this regard, the Yemen Arab Republic Government requests that USAID continue to support YARG through a participant training program under another development grant.

It is required that this grant continue the participant training program now under project O20, putting more emphasis on degree training, both under-graduate and graduate in the U.S. and selected third countries. YARG is also requesting the technical assistance of one to two manpower planning experts to assist us in organizing a Manpower Planning Unit within the Central Planning Organization and thereby institutionalizing human resources planning within the Yemen Arab Republic Government.

In support of this continued USAID training program, YARG will release its nominees from job obligations to attend intensive English language courses at YALI. YARG also agrees to continue to nominate as many women as possible for training program, and give priority to women. YARG also agrees to continue to pay participants' salaries while in training, cover the costs of pre-departure medical exams, visa and passport fees, and transportation to the farthest point served by Yemen Airways - direct to the country of training and return, salaries of the Yemeni Remarried Unit's YARG counterparts, office space, furnishings, supplies and material support for the Human Resources Planning Advisory. In addition, the YARG will review the possibility of contribution which could be considered at a later stage.

- 2 -

Thank you for your assistance in this matter. We look forward to seeing the USAID training continue in the future.

With best regards,

Yours sincerely,

*Mahamed Salim Basindwah*

Mahamed Salim Basindwah,  
Minister of Development  
& Chairman of C.P.O.



Best Available Document

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UNITED STATES GOVERNMENT

# Memorandum

Appendix H

DATE: December 15, 1981

TO : NE/TECH/HRST, Elmer G. Fales  
Project Chairperson

FROM : NE/PD, Stephen F. Lintner *SFL*  
Bureau Environmental Coordinator

SUBJECT: YEMEN - Development Training II - Amendment No. 1 (279-0040)  
Environmental Clearance

The subject project amendment is exempted from environmental analysis by the provisions of 22 CFR 216.2 (C) Categorical Exclusions, "A.I.D. Environmental Procedures".

cc: GC/NE, B. Janigian  
AID/Sana'a, L. Yang, Mission Environmental Officer  
AID/Sana'a, D. Cox, Training Officer



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