

UNCLASSIFIED

INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

AGENCY FOR INTERNATIONAL DEVELOPMENT

Washington, D.C. 20523

Italy

SOUTHERN ITALY FELLOWSHIP PROGRAM

145-8401

Project Paper

Grant

1984

UNCLASSIFIED

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT DATA SHEET	1. TRANSACTION CODE <input type="checkbox"/> A = Add <input type="checkbox"/> C = Change <input type="checkbox"/> D = Delete	Amendment Number _____	DOCUMENT CODE 3
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2. COUNTRY/ENTITY Italy	3. PROJECT NUMBER 145-8401
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4. BUREAU/OFFICE NE 03	5. PROJECT TITLE (maximum 40 characters) Southern Italy Fellowship Program
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6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 08 31 88	7. ESTIMATED DATE OF OBLIGATION (Under 'B:' below, enter 1, 2, 3, or 4) A. Initial FY 84 B. Quarter 4 C. Final FY 85
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8. COSTS (\$000 OR EQUIVALENT \$1 =)						
A. FUNDING SOURCE	FIRST FY 84			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	1,343	157	1,500	2,744	256	3,000
(Grant)	(1,343)	(157)	(1,500)	(2,744)	(256)	(3,000)
(Loan)	()	()	()	()	()	()
Other U.S.						
1.						
2.						
Host Country				1,278		
Other Donor(s)				136	136	
TOTALS	1,343	157	1,500	2,744	1,670	4,414

9. SCHEDULE OF AID FUNDING (\$000)									
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) EST	600	700				1,500		3,000	
(2)									
(3)									
(4)									
TOTALS						1,500		3,000	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each) 690	11. SECONDARY PURPOSE CODE
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12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each) A. Code _____ B. Amount _____	
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13. PROJECT PURPOSE (maximum 480 characters)

To increase the number of Italians in southern Italy trained in the United States at the graduate level in fields related to economic and social development.

14. SCHEDULED EVALUATIONS Interim MM YY MM YY Final MM YY 09 85 06 87	15. SOURCE/ORIGIN OF GOODS AND SERVICES <input type="checkbox"/> 000 <input checked="" type="checkbox"/> 941 <input type="checkbox"/> Local <input type="checkbox"/> Other (Specify) _____
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16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)

17. APPROVED BY	Signature <i>Kenneth H. Sheran</i> Title Director, NE/TECH Date Signed MM DD YY 08 21 84	18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION MM DD YY 06 12 84
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USAID/Naples Design and Review Committee

USAID/Naples:

- Richard Dangler, AID Representative
- Kurt Teil, Program Officer

AID/NE/TECH/HRST:

- Tony Vollbrecht
- Tom Chapman

AID/W Project Review Committee

NE/TECH/HRST, Anthony Vollbrecht, Chairperson
NE/TECH/HRST, Tom Chapman
NE/EUR, Marx Sterne
NE/DP/PL, Mark Kraczkiewicz
NE/TECH/SARD, Mona Hammam
NE/DP/E, Charles Husick
NE/DP, Alice Shimomura
GC/NE, Garber Davidson
PPC/PDPR, B. Richerson
SER/CM/ROD/NE, Kathy Cunningham
ST/IT, Leila Mogannam

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PROJECT AUTHORIZATION

Name of Country : Italy
Name of Project : Southern Italy Fellowship Program
Number of Project: 145-8401

1. Pursuant to Section 531 and consistent with Section 105 of the Foreign Assistance Act (FAA), I hereby authorize the Southern Italy Fellowship Program for Italy involving a planned obligation in an amount not to exceed \$1,500,000 in Economic Support Funds from the date of authorization to help in financing foreign exchange and local currency costs for the Project. The amount hereby authorized to be obligated in FY 1984 shall be made available in accordance with the Foreign Assistance and Related Appropriations Act of 1984 by reobligating amounts previously appropriated for Syria pursuant to Chapter 4 of Part II of the FAA.

2. The Project consists of one year post graduate research/study programs for university researchers from public and private universities in southern Italy. All training will be in the United States. A Cooperative Agreement with an educational/training institution will be awarded to administer the Project. It is anticipated that the Grantee under the Agreement will enter into a sub-grant arrangement with the Fulbright Commission in Italy for screening and selection of fellowship recipients.

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

4. a. Source and Origin of Goods and Services
Goods and services, except for ocean and air shipping financed by A.I.D. under the Project shall have their source and origin in the United States or in the Cooperating Country, except as A.I.D. may otherwise agree in writing.

Ocean and air shipping financed by A.I.D. under the Project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag-vessels and carriers of the United States.

W. Antoinette Ford
Assistant Administrator
Bureau for Near East

24 AUG 1984

Date

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR, NEAR EAST

FROM : NE/TECH, Kenneth Sherper *KS*

SUBJECT: Project Authorization for the Southern Italy Fellowship Program (145-8401)

Problem: Your approval is required to authorize the \$1.5 million Southern Italy Fellowship Program.

Discussion: The Near East Advisory Committee has approved the Southern Italy Fellowship Program. \$1.5 million of ESF grant funds from the Syrian program deobligations will be reobligated in FY 1984 for this project, pursuant to Section 101(b) of the Second Continuing Resolution for FY 1984 (the Foreign Assistance and Related Programs Appropriations Act of 1984). This three-year project will provide funds for research/study programs in the United States for university personnel from southern Italy, excluding the islands of Sicily and Sardinia. It will offer one year post graduate research/study programs for university researchers from public and private universities. In addition, the project will provide up to three months of intensive English language "topping-off" training.

The project will be political/developmental. All research and training programs will relate directly to priority economic and social developmental sectors in southern Italy. Fellowship recipients will develop personal and professional ties while they are in the U.S. They will become acquainted with American technology and way of life while gaining the opportunity to form professional linkages and connections which are expected to last throughout their careers.

During the period which participants are in training, project funds will not be used to pay any portion of the salaries and benefits normally provided by the educational institutions at which participants are employed. Airfare costs will be borne by fellowship recipients or their universities. A cooperative agreement with an educational/training institution will be awarded to administer the project, with screening and selection of fellowship candidates conducted by the Fulbright Commission in Italy under a sub-grant arrangement.

A categorical exclusion for the requirement of an Initial Environmental Examination has been approved and is attached.

The authorized source and origin for commodities and services will be AID Geographic Code 000 (United States) and the cooperating country.

An Advice of Program Change was sent to Congress on August 10, 1984 to reflect that A.I.D. plans to obligate \$1,500,000 in FY 1984 of ESF grant funds deobligated from the Syrian program. The 15 day waiting period expired on August 25, 1984 without objection.

There are no human rights issues under section 502 B of the Foreign Assistance Act of 1961, as amended, that would preclude provision of this assistance to Italy.

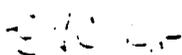
Recommendation: That you sign the attached Project Authorization, thereby approving life-of-project funding of \$1,500,000, and an FY 1984 obligation of \$1,500,000 from funds deobligated from the Syrian program.

Attachments:

1. Project Authorization
2. Advice of Program Change
3. Project Paper
4. Categorical Exclusion of Initial Environmental Examination

Clearances:

DAA/NE, B. Langmaid 
NE/DP, C. Johnson 
GC/NE, B. Miller BMM 8/23/84
PPC/PDPR, E. Leonard Hughes
NE/EUR, R. Misheloff (draft)
NE/TECH/HRST, H. Freeman (draft)


Drafted by NE/TECH/HRST, AVollbrecht:lch:7/11/84 (0760J)

RECOMMENDATIONS AND ISSUES

I. A. RECOMMENDATIONS

USAID/Naples recommends that AID/W approve grant of \$3.0 million to provide post graduate research programs in the United States for university researchers employed by public and private universities in southern Italy. The Project is technically, socially, financially and administratively sound.

B. ISSUES

1. English Language Preparedness

Up to three months of English language "topping off" training is provided for all Project participants. A three month period was selected for the following reason:

- it was assumed that even with the low level of English language capability among southern Italians, that there was a sufficient pool of qualified candidates for fellowships with enough knowledge of English to be able to achieve English proficiency with up to 3 months of ESL training in the U.S.

This assumption will be assessed during a Project review after the first year of the Project and design adjustments will be made, if necessary, including the possibility of lengthening the period of ESL training. Funds would be made available by a reduction in the number of participants to be trained.

2. Contracting Mode

Assuming that Congress might continue to appropriate money for Italy in future years, a Cooperative Agreement Grant would facilitate the adding of additional money. Under such an agreement, additional funds can be added without competition. Such has been the case with the Cyprus Scholarship Program. However, since the contracts office requires 90 days to complete the competitive contracting process, there is not sufficient time before the end of FY 1984 to award a cooperative grant agreement. This is especially true since the obligating document is the signed grant agreement. For this reason, the PP design team recommends a direct contract where the money can be obligated before the end of the current fiscal year by a Project Agreement or Letter of Understanding.

II. Project Rationale and Description

A. Background

1. U.S. Interests in Italy

This Project complements A.I.D.'s Southern Italy Earthquake Relief and Reconstruction Program. Since the devastating earthquake in 1980, the U.S. Congress has appropriated \$70 million in disaster relief funds for school reconstruction and private and voluntary organization (PVO) programs. An appropriation of \$10.0 million by the U.S. Congress for FY 1984 will be used to continue these programs and fund this \$3.0 million fellowship program.

Southern Italy is defined, for Project purposes, as the area known as the "mezzogiorno" and includes the four southern-most regions of Italy. It does not include Sicily or Sardinia.

Italy "graduated" from the post World War II U.S. Marshall Plan in the late 1940's and would not normally be considered for A.I.D. developmental assistance. A.I.D.'s presence in Southern Italy is a direct result of the devastating 1980 earthquake which exacerbated an already economically depressed situation in the area. The Mezzogiorno is recognized by the Government of Italy as the least developed area of the country and is given special emphasis in that there is a specific ministry for the development of this region.

U.S. resources for school reconstruction and PVO activities have helped to rebuild the physical infrastructure of the earthquake area. PVO programs, in addition to physical infrastructure reconstruction, have provided for local level human resources development.

The activities noted above have contributed significantly to the earthquake reconstruction efforts in southern Italy and A.I.D.'s involvement has been greatly appreciated by the regional and central governments.

School reconstruction and PVO activities are expected to terminate in FY 1986. Concurrent with the completion of the school construction efforts the AID/Naples office is scheduled to phase-out.

A fellowship program coming at the end of A.I.D.'s involvement in southern Italy would provide an opportunity for strengthening Italo-American ties in the region and improving its human resources base in developmental areas.

2. The Political Importance of U.S. Training

In addition to the direct development impact of U.S. participant training, there are important long-term political benefits to the United States. Returned participants tend to maintain close intellectual, ideological and social ties with the United States. Since these same individuals frequently assume positions of significant influence after they return home, training is a powerful mechanism for winning important political allies. AID training of Italians is expected to cultivate political friendships through the kind of professional linkages that are formed in the course of training and which continue to be functional for participants after they return home. Participants learn to rely on U.S. resources, data bases, professional publications, former colleagues--for up-to-date professional information. They often return to the U.S. to attend professional meetings. They are able to deal knowledgably with U.S.-based institutions. They come to depend on U.S.-style research methodologies and approaches causing them to look to the U.S. to meet future technical assistance and training needs.

3. Importance of Training in the United States

The cost of U.S. training has risen rapidly over the last eight years, with a corresponding trend toward third country and in-country training to hold down costs. However, experience has shown that U.S. training, particularly for graduate level participants, has a number of distinct advantages in spite of its high cost. First, and most important, U.S. resources for training, if properly matched to participant needs, offer the highest quality instruction in most fields that is available anywhere. In critical development-related areas such as science and technology, social sciences and economics, business and public administration, education, health and agricultural sciences, the most advanced and sophisticated scholarship and research in the world takes place in the United States.

Second, U.S. training institutions offer access to technical information sources that are more complete and up-to-date than are available in many countries. Students are able to take advantage of university libraries with open stacks, specialized computerized data bases and U.S.-based professional organizations.

Third, U.S. educational institutions are often centers of international networks, both formal and informal, in many specialized areas of scholarship and research. Because of the important position of U.S. institutions as providers of training to other countries, participants coming to the U.S. are exposed to the work of researchers in their own field that is underway throughout the world. Experience has shown that

participants often form lasting relationships with like-minded U.S. scholars and professionals that facilitate the continuing exchange of ideas and experiences after formal training has ended. By virtue of training in the U.S., participants frequently join professional organizations which keep them informed of new publications, journals, meetings and new developments in their field.

Fourth, there are some less tangible "process" phenomena to which participants are exposed in the U.S. which have proven to be influential when they return home to assume responsible positions. U.S. institutions tend to practice collaborative research, team teaching and participatory management styles. It has often been observed that these typically American styles of working, when transferred via returning trainees to their home institutions, can result in greater innovativeness, individual initiative and productivity in indigenous institutions. Finally, participants learn from their exposure in a training institution. Exposure to the U.S. political system, to social life in the United States, to U.S. consumer technologies, etc., can have a profound influence on participants' perceptions of their own culture and institutions, creating new awareness of the strengths and weaknesses of corresponding institutions in Italy.

B. Detailed Project Description

This four year project will provide funds for research and training in the United States of host government and private sector personnel from southern Italy, excluding the islands of Sicily and Sardinia. It will offer one year post graduate research/study programs for university researchers * from public and private universities, including up to three months of intensive English language "topping-off" in the U.S., or in southern Italy, if deemed appropriate by the contractor.

- * University Researchers are considered in Italy to be approximately equivalent to an assistant professor in the U.S.

The Project will be political/developmental. The demand by southern Italians for graduate and post graduate training in the United States far exceeds the opportunities that are provided. It makes sense politically for fellowship recipients to develop their personal and professional ties while they are in the U.S. Not only do they become acquainted with American technology and our way of life, but linkages and connections are established which are expected to last throughout their professional careers. Moreover, all research/training programs will relate directly to priority economic and social developmentatl sectors in southern Italy.

A contract will be competitively awarded to a contractor for the purpose of implementing the Project. The contractor will enter into a sub-contract with the Italy Fulbright Commission for the implementation of Project activities within Italy, e.g. program promotion, participant selection, counseling, pre-departure orientation, etc.

At the end of the Project, it is expected that approximately 73 participants will have received 73 person years of research/training in the U.S. and will have returned to responsible jobs in southern Italy.

1. Goal, Purpose and End of Project Status (EOPS)

The broad long-term objective of this Project is to strengthen the pool of manpower resources trained in development related areas. The Project purpose is to increase the number of Italians in southern Italy trained in the United States at the post graduate level in fields related to economic and social development. The purpose of the Project will be achieved by participants completing their research/study programs in the United States and returning to Italy.

2. Project Elements

(a) Inputs

AID's input will consist of a \$3.0 million in ESF grant funds to provide non-degree post graduate research/study programs in the U.S.

The Government of Italy input will consist of \$1.278 million which will provide for the continuation of the salaries and benefits of university researchers of state universities who are post graduate research fellows under the Project. All participants under the Project will pay for their own air travel totalling \$136,000. If there are participants from the private university in Naples, "Suor Orsola Benincasa", the salaries and benefits of the participants will be continued by the university.

(b) Outputs

- (1) Post graduate research programs completed in the U.S. by up to 73 university researchers.

(c) Project Components

(1) U.S. Post Graduate Research

The Project will provide up to 73 non-degree post graduate research/study programs at U.S. universities and research institutions for university researchers employed at public and private universities in southern Italy.

The professional hierarchy in Italian universities includes professors, associate professors and the university researcher, who is approximately equivalent to an assistant professor in the United States. The Ministry of Public Instruction requested that Project resources be devoted to the researcher since he/she would have the least financial resources to conduct research/study in the United States and would have had the least opportunity to develop linkages with U.S. scholars and researchers.

Another reason why the PP design team focused on the university research is that the "Cassa per il Mezzogiorno", which is part of the national ministry for the development southern Italy will launch in July 1984 a fellowship program. This program will provide 70 awards for southern university faculty members to conduct research abroad. In addition, the program provides stipends of \$42,000 per year for foreign faculty to conduct research of southern Italian universities. (See Annex O)

Because of the financial attractiveness of this award and the fact that professors and associate professors will have a decisive advantage over university researchers in fellowship competition, it was decided to focus on the university researcher who also needs to develop his/her professional linkages with foreign scholars and researchers, particularly those in the U.S.

The research/study programs will be awarded competitively for a period of up to one year and will include during this time frame up to three months of "topping off" English language training (including orientation) in the U.S., as appropriate.

This type of program is designed to expand southern Italian relationships with U.S. scholars and researchers that facilitate the continuing exchange of ideas and professional contacts after the formal research program has ended. It also provides research fellows with the opportunity to conduct important research in high quality U.S. educational and research institutions on topics that are relevant to the economic and social development of southern Italy. Those development-related fields critical to southern development are in the areas of science and technology, economics and social sciences, business and public administration, education, health and the agricultural sciences.

Other selection criteria will be developed by the U.S. contractor and approved by A.I.D. The contractor will provide counseling to fellowship candidates which will make them better aware of the state of the art of research and scholarship in the U.S. so that they can better develop their research/study proposals. Attendance by research fellows at U.S. conferences will also be arranged by the contractor, as appropriate. At the end of fellowship recipients' programs, the contractor will fund memberships for three years in U.S. professional organizations as well as the costs of U.S. professional journals, as appropriate.

The PP design team discussed the proposed Southern Italy Fellowship Program with officials of most of the universities in southern Italy and all officials enthusiastically supported U.S. post graduate research/study. They also stated that there would be no problem in getting a good supply of candidates. There are approximately 2000 university researchers in fields related to social and economic development in southern Italian universities.

If Congress authorizes additional monies in future years then other target groups, in addition to the university researcher, can be considered, e.g. participants from other public entities and from the private sector. In addition, degree training and short term training can be considered.

3. English Language Training

Southern Italians who would be considered qualified in the English language are relatively few, especially when compared with northern Italians. The problem is due, in part, to the relatively low quality of English language instruction in the schools. This situation carries through from primary and secondary school levels to the university and manifests itself in most aspects of academic, as well as daily life. For this reason, southern Italians are at a disadvantage when competing nationwide for scholarships to study in English speaking countries.

The target group under this Project, the university researcher, knows "some" English, according to various instructors of English in southern Universities. For this reason, English language "topping off" training will have to be provided. Since participants will be conducting non-degree research/study in a specialized area, most U.S. universities do not normally require the achievement of a minimum score on a language exam for admission. They only ask that the individual be "proficient" in English in his/her specialized area of research.

Commercial English language institutes are relatively few in southern Italy. The Naples-American Studies Center and the British Council, both in Naples, are the primary commercial English language opportunities for the southern Italian, although there are quite a few American and English expatriates who give private lessons, but at a much higher cost.

The Project Paper design team examined the possibility of utilizing the Naples-American Studies Center to provide English language training for those participants from the Naples area, with outreach programs for participants from other southern areas. After consulting in Rome with the U.S.I.A. expert in the teaching of English as a foreign language, the PP design team decided not to recommend the use of the facilities of the Studies Center at this time, but to have all language training conducted in the U.S. The reasons are as follows:

- (a) The Center has no experience in conducting the type of intensive language training that would be required for Project participants.
- (b) To get the necessary resources in place at the Center to provide intensive E.S.L. training would delay the start up of the Project.

(c) The process of providing the Center with the capability of conducting an intensive E.S.L. program with resources under the Project would require concerted monitoring by USAID/Naples which does not have sufficient human resources for this purpose. Moreover, the Office expects to phase out in FY86.

(d) A new ESL program at the Center would have no track record of the time it would take for students to reach various TOEFL levels, making it difficult to plan for the timely placement in U.S. universities and research institutes of participants whose sabbatical leave can be for no longer than one year.

AID/Naples requests that the contractor review this matter.

(1) E.S.L. Training for University Researchers

All recipients of post graduate research fellowships will be provided with up to three months of "topping off" language training in the U.S., including orientation, if necessary. A maximum of three months was designated for the following reasons:

(i) Researchers can only receive a one calendar year sabbatical leave and approximately nine months would be needed to develop the necessary professional linkages with U.S. scholars and researchers that would continue after the participants returned to Italy, and

(ii) it would take approximately nine months to carry out a significant research program.

To increase the period of ESL training would require reducing the period of professional linkage development as well as research and would therefore jeopardize the achievement of Project objectives.

All candidates for post graduate research fellowships will be required to take a language exam (to be determined by the U.S. contractor) to screen out those candidates who with even three months of intensive language training in the U.S. would not achieve a level of proficiency sufficient to develop professional linkages and conduct research. Candidates who pass the language exam and meet other selection criteria (to be determined by the U.S. contractor with A.I.D. approval) and reach the final selection round, will be interviewed by the Italy Fulbright Commission to determine the candidate's language proficiency in his/her field of research. If necessary, fellowship winners will be provided with up to three months of "topping off" language training (including orientation) in the U.S., or in southern Italy, as determined by the contractor.

III. Cost Estimate and Financial Plan

A. Costs

Cost estimates for the research/study component of this Project are constructed based on guidance received from the Bureau of Science and Technology, Office of International Training (ST/IT), and AID project experience. The post graduate research program cost estimates are based on State 066498 citing costs of the on-going Peace Fellowship Program (Egypt) experience. (See Annex E.2.) Given the varying types of individualized research programs anticipated under this project, and lack of extensive AID experience in determining costs for post graduate research programs, the estimated university and/or research institute-related costs of \$10,000 per researcher may need revision as project implementation proceeds. A break-down of cost elements can be found in Annex E.

Contractor cost estimates are based on salary and overhead rates of non-profit, education and training related organizations with which AID currently works. It is assumed that they will be best equipped to implement this Project.

There is nothing the Project can do to affect the rate of inflation. It can, however, minimize its impact on program costs by front-loading participant placement as much as possible.

\$1.5 million in FY 1984 funding will fully fund 35 researcher programs based on the cost calculations cited in Annex E.

B. Financial Plan and Budget Tables

The total cost of the Project is estimated at \$4.414 million. AID will provide a grant of \$1.5 million in FY 1984, and an additional \$1.5 million in FY 1985, subject to availability of funds. The Government of Italy will provide the equivalent of \$1.278 million in the form of salary and benefits continuation for graduate researcher fellowship recipients. Each fellowship recipient will be required to provide his/her own airfare estimated at \$1600 each, for a project total of \$136,000, including inflation.

Approximately 60.8% of Project costs are directly related to the support of participants. This is the major cost element. Contractor costs are approximately 22.9% of Project costs and inflation costs about 10.5%, with 5.9% as contingency. The use of Project funds is summarized in Table A. Table B relates project costs to outputs and Table C provides an estimate of expenditures by type and fiscal year. In preparing these tables on cost estimates, inflation was calculated at three different rates: for the contractor at 7.5%, for the sub-contractor at 12%, and for direct training costs at 11%. All are compounded annually. Contractor overhead was calculated at 100% of salaries.

Table A

SUMMARY COST ESTIMATE AND FINANCIAL PLAN

(\$ 000)

Source/Use		A.I.D.		Cooperating Gov't		Other		Total		TOTAL
		FX	LC	FX	LC	FX	LC	FX	LC	
Training	1)	1,825						1,825		1,825
Project Management	2)	484	203						203	687
Salary Benefits	3)				1,113				1,113	1,113
Airfare	4)						117		117	117
Subtotal		2,309	203		1,113		117	2,309	1,433	3,742
Inflation	5)	282	30		165		19	282	214	496
Contingency	6)	153	23				-	153	23	176
Grand Total		2,744	256		1,278		136	2,744	1,670	4,414

NOTES To Table A

1. Training cost estimates are based on guidance received from AID/W in State 022966 and 066498.
2. Project implementation will be through a competitively secured contract with sub-contract arrangements with the Italy Fulbright Commission.
3. Salary and benefit estimates are based on current Italian university researcher pay scales which range from the equivalent of \$675 to \$1,000 per month. Benefits are calculated as 54% of base salary.
4. Airfare is the responsibility of the individual fellowship recipient.
5. Price escalation factor for the contractor is calculated at 7.5% compounded annually, per price escalation guidance in 83 State 015265. Training cost escalation factor is 11% per State 022966. Sub-contractor escalation factor is 12% based on projected inflation rates in Italy. (Cables are in Annex E.)
6. A contingency of 5% is included for the contractor and the sub-contractor within Project Management costs. A contingency of 8.4% is included as a separate line item for training costs.

Southern Italy Fellowship Program (145-8401)

Table B

COSTING OF PROJECT INPUTS/OUTPUTS

(\$ 000)

<u>AID Inputs</u>	<u>FX</u>	<u>LC</u>	<u>Total</u>
Training	1,825	-	1,825
Project Management	484	203	687
Sub Total	2,309	203	2,512
Inflation	282	30	312
Contingency	153	23	176
Total	2,744	256	3,000
 <u>Cooperating Country</u>			
Salaries			
Benefits	-	1,113	1,113
Sub Total	-	1,113	1,113
Inflation	-	165	165
Total	-	1,278	1,278
 <u>Other Contribution</u>			
Airfare	-	117	117
Inflation	-	19	19
Total	-	136	136
Grand Total	<u>2,744</u>	<u>1,670</u>	<u>4,414</u>

Table C

PROJECTION OF ESTIMATED EXPENDITURES BY FISCAL YEAR

(\$ 000)

	<u>FY 84*</u>			<u>FX</u>	<u>FY 85*</u>			<u>FX</u>	<u>LC</u>	<u>FY 86*</u>			<u>FX</u>	<u>LC</u>	<u>FY 87*</u>			<u>FX</u>	<u>FY 88*</u>			<u>Total</u>	
	<u>FX</u>	<u>LC</u>	<u>TOTAL</u>		<u>LC</u>	<u>TOTAL</u>	<u>FX</u>			<u>LC</u>	<u>TOTAL</u>	<u>FX</u>			<u>LC</u>	<u>TOTAL</u>	<u>FX</u>		<u>LC</u>	<u>TOTAL</u>			
<u>AID INPUTS</u>																							
Training	-	-	-	-	-	-	675	-	675	681	-	681	469	-	469	1,825							
Proj. Mgmt.	-	-	-	120	66	186	128	62	190	128	62	190	108	13	121	687							
Sub Total	-	-	-	120	66	186	803	62	865	809	62	871	577	13	590	2,512							
Inflation	-	-	-	9	8	17	88	9	97	105	10	115	80	3	38	176							
Contingency	-	-	-	8	4	12	54	8	62	55	9	64	36	2	38	176							
TOTAL AID	-	-	-	137	78	215	945	79	1,024	999	81	1,050	693	18	711	3,000							
<u>COOPERATING COUNTRY</u>																							
Salaries/ Benefits	-	-	-	-	-	-	-	412	412	-	415	415	-	286	286	1,113							
Inflation	-	-	-	-	-	-	-	55	55	-	62	62	-	48	48	165							
Total Coop. Country	-	-	-	-	-	-	-	467	467	-	477	477	-	334	334	1,278							
<u>OTHER</u> (Participant)																							
Airfare	-	-	-	-	-	-	-	77	77	-	40	40	-	-	-	117							
Inflation	-	-	-	-	-	-	-	12	12	-	7	7	-	-	-	19							
Total Other	-	-	-	-	-	-	-	89	89	-	47	47	-	-	-	136							
GRAND TOTAL	-	-	-	137	78	215	945	635	1,580	969	605	1,574	693	352	1,045	4,414							

A concerted effort has been made to develop a financial plan that is both reasonable and realistic. Fully aware that excessive costs will reduce the number of fellowships which can be awarded from this Project, AID will closely monitor contractor implementation to achieve the planned schedule of fellowships.

IV. Implementation Plan

1. Project Paper Approval Schedule

The Project Paper for the Southern Italy Fellowship Program (145-8401), is expected to be approved and the Project authorized in July, 1984 and a contract for Project implementation signed by September, 1984. The contractor will be expected to sign a sub-contract with the Italy Fulbright Commission for the implementation of Project activities within Italy by December, 1984.

2. AID Contracting Schedule

AID will compete the award of a contract for the purpose of implementing the Project. The major responsibility of the contractor will be to identify, select and enroll Project participants in appropriate academic/research programs offered by U.S. universities and research institutions, as well as to provide maintenance support in accordance with A.I.D. guidelines. In addition to those selection criteria and procedures described in the Project description, the contractor will develop for A.I.D. approval, appropriate criteria and procedures for selection. The contractor will enter into a sub-contract with the Italy Fulbright Commission to "sub-contract" Project activities that will be implemented within Italy, e.g. program promotion, candidate screening and selection, documents collection and dossier preparation, counselling, pre-departure orientation, liaison and program reporting to the contractor and such other tasks as deemed appropriate and may be mutually agreed to.

The Italy Fulbright Commission has been operating for the past thirty five years and has awarded grants to over 8,000 students, scholars and teachers for study in the U.S. In addition to programs sponsored by USIA, the Commission also administers programs with funds from other sources. It provides the program promotion and the selection process for programs of: the Woodrow Wilson International Center for Scholars, the American Council of Learned Societies, the Academy of American and International Law, the American Association of University Women and others. The Commission has no experience in the placement of participants in U.S. institutions. The Commission is well respected for its excellence in program administration, especially for its integrity in candidate selection. It would be more costly to the Project for the contractor to duplicate the Commission's administrative capacity in Italy and it would delay Project start-up. Moreover, the prestige and good-will of the Commission which has been built up over the past thirty-five years could not be duplicated.

3. Participant Training Schedule

The training schedule for participants under the Project is as follows:

	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>TOTAL</u>
Graduate Research Programs	20	28	25	73

The number of participants is lower for 1985 in order to allow the contractor sufficient time to get the program well established and to allow candidates who failed to achieve a minimum score on an English language exam sufficient time to improve their English and compete again in 1986. It is expected that most participants in 1985 will begin their training/research programs at the beginning of the 1985-86 winter term at U.S. universities and research institutions.

\$1.5 million in FY 1984 funds will fully fund 35 participants. Subject to availability of additional funds in FY 1985, the remaining 38 participants will be programmed.

IMPLEMENTATION SCHEDULE MAJOR EVENTS

<u>EVENT</u>	<u>ACTION AGENT</u>	<u>DATE</u>
Project Authorization	AID/W	7/84
Project Agreement signed with GOI	AID/Naples	7/84
Contract signed	AID/W	9/84
Sub-contract signed between U.S. contractor and Italy Fulbright Commission	AID/W	1/85
1985 participants to depart for language training and training/research programs	Contractor	9/85
Project Review	AID/Naples, AID/W, Contractor	9/85
1986 participants depart for language and training/research programs	Contractor	6/86
1987 participants depart for language and training/research programs	Contractor	6/87
Final Evaluation	AID/W and Contractor	6/87

V. USAID/Naples Implementation Responsibilities and Project Monitoring Plan

USAID/Naples has a direct hire staff of two officers, therefore, its ability to assume new responsibilities is very limited. For this reason, the Project has been designed to minimize its implementation and monitoring responsibilities.

The Office is expected to be phased out in FY 1986 before the end of the Project. As a result, AID/W, particularly NE/TECH/HRST, will provide strong support to USAID/Naples in Project implementation and monitoring. Because of the long and capable experience of the Fulbright Commission, the Office's monitoring responsibilities of Project activities in Italy should be minimal. NE/TECH/HRST will particularly assist USAID/Naples in monitoring the activities of the contractor in the U.S. and will assume full project monitoring responsibilities with assistance from the American Embassy when the Office is phased out.

To assist in project monitoring, the contractor will present periodic reports, the frequency and format to be determined in consultation with AID, regarding progress and problems encountered in meeting Project inputs, outputs and purpose.

1. Government of Italy Responsibilities

The GOI will continue the full salaries and benefits of university researchers from state universities who have been awarded post graduate research fellowships under the Project, and will grant them one calendar year of leave.

VI. Summary of Project Analyses

This Project is socially, financially, and administratively sound.

A. Technical Analysis

The technical aspects of participant identification, selection, placement, monitoring, evaluation and funding are in place and have worked relatively well through the years. These sound mechanisms will be used to implement this Project.

B. Economic Analysis

Generally, investments in human capital are assessed in terms of their anticipated impact on the levels of future incomes and productivity. For several reasons, a standard cost-benefit analysis will under-value the returns to investment in graduate level training acquired in the U.S. First, the cost of higher education in the U.S. relative to the level of salaries in Italy is very high. Second, salary levels of university researchers, who are government employees, are not determined by market forces and therefore do not reflect the full value of marginal productivity. Nevertheless, there is a strong possibility that training to be carried out under this project will produce an acceptable increase in host country output.

C. Social Analysis

The social objective of the Project is two-fold. On the one hand, it seeks to ensure that all who are qualified have reasonably equal opportunities to apply. On the other hand, it targets the program at young academics in the university system so that these fellowship recipients will have a longer period of time during their professional careers to utilize the professional linkages with U.S. scholars and researchers which were initiated during their study/research programs in the U.S. Accordingly, the social soundness of the Project becomes a function of how fellowship recipients are selected, who receives fellowships, what they study and the extent they are utilized upon their return to Italy.

VII. Negotiating Status and Covenants

A. The Government of the United States and the Government of Italy do not have a Bilateral Agreement governing implementation of assistance programs. For this Project it is recommended by the PP design team that the Regional Legal Officer/Rabat make a determination as to the appropriate mode of agreement with the Government of Italy. It is assumed that a Project Agreement or a Letter of Understanding will be required.

B. Covenants

The Project Agreement or Letter of Understanding will contain the following covenants:

1. The Government of Italy agrees to continue payment of usual salary and benefits of the fellowship recipients in those cases in which the recipient is currently employed by the Government.
2. The Government agrees to facilitate the exchange of a reasonable amount of Lire to U.S. dollars from continuing salary payments of the fellowship recipient, as deemed appropriate, for support of any dependents accompanying the recipient to the U.S., or other purposes.

VIII. Evaluation Plan

The Project will be evaluated primarily in terms of internal efficiency, effectiveness and its significance in contributing to the accomplishment of overall project objectives.

The above three elements - efficiency, effectiveness and significance - will be assessed in the following ways:

1. Efficiency

Baseline measures to be included in the implementation process include: the responsiveness of AID and the contractor to conduct activities funded under the Project:

- a. identification of purposes of training
- b. establishing responsibilities and procedures for implementation
- c. selection of optimal approaches for conducting training
- d. avoiding crises and meeting schedules and deadlines
- e. completion of training as planned.

The evaluation of these implementation measures will look at the following:

- a. Programming documentation and other training documents which specify the purposes for which training was undertaken. A sampling can be done by the Project evaluators.
- b. AID organizational structures, filing and accounting systems to assess item (b) above.
- c. Contractor and Italy Fulbright Commission's organizational structure and management systems. The contractor's reports will also be reviewed.
- d. What has been selected in terms of what was available in the way of training opportunities at the time of selection.
- e. An examination of the correspondence files and the "dropout" files to determine the timely completion of training programs within the scheduled costs for the program.

2. Effectiveness

Measures of effectiveness will also be built into the evaluation process. These will consist largely of a questionnaire follow-up by the contractor of the participant immediately prior to his departure from the U.S. The measures to be tested will include such points as:

- the perception of the purpose of the training/research by the participants.

- questions pertaining to the degree of satisfaction by each participant as to how well the training/research programs addressed the purposes for which it was designed.
- requests for suggestions about how the training/research programs could be improved, including ESL training and orientation.

3. Significance

Significance is a broader goal. General impressions should be ascertained if the information is not too difficult and costly to obtain as to the perception of the significance of the training by a sample of the returnees and their supervisors.

A review of the Project will be held in September of 1985 to assess primarily, Project efficiency. On the basis of the review, a decision will be made on whether the Project design needs to be modified and whether changes need to be made in the contractor's implementation of the Project. The evaluation will be conducted by USAID/Naples and AID/W.

The final evaluation, which is scheduled for June of 1987, will assess Project efficiency, effectiveness and significance and will be conducted by AID/W.

ANNEX A

UNCLASSIFIED ANNEX A
Department of State

OUTGOING
TELEGRAM

PAGE 01 STATE 004892
ORIGIN AID-00

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STATE 004892

6524 002149 AID4669

ORIGIN OFFICE NEIC-04
INFO NEPD-04 AAHE-01 NEDP-03 PPCE-01 PPPB-02 CMGT-02 CTR-02
RELO-01 MACT-01 NEUR-02 /023 A4 710
INFO OCT-00 EUR-00 /035 R

IN PID AND ABOVE NOTED INFO MEMO. CONTACTS WITH USIC, THE ITALIAN GOVERNMENT AND EDUCATIONAL INSTITUTIONS WILL BE NECESSARY AND CAN BE ARRANGED AFTER STARTING DATE FOR DESIGN EFFORT IS DETERMINED. GIVEN NE/TECH/HRST COMMITMENTS, WE BELIEVE FEBRUARY PP DESIGN START IS REALISTIC. THIS WOULD ALLOW AID/NAPLES TO ARRANGE AUGMENTATION OF NECESSARY OE AND PD & S FUNDS. IT WOULD ALSO ENABLE PROJECT AUTHORIZATION IN TIMELY MANNER. PLEASE ADVISE. SHULTZ

DRAFTED BY AID/NE/TECH/HRST, AVOLBRECHT:LCH
APPROVED BY AID/NE/TECH/HRST, BHEYNAN
AID/NE/EUR, MSTERHE DRAFT,
AID/NE/DP, RBONNAFFON (INFO)

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TAGS:

SUBJECT: SOUTHERN ITALY SCHOLARSHIP PROGRAM (145-8401),
PP DESIGN

REF: STATE 321632

1. AA/NE SENDING MEMO TO THE ADMINISTRATOR INFORMING HIM DOLS. 5 MILLION WILL BE USED TO ESTABLISH A TRAINING PROGRAM FOR SOUTHERN ITALY. GIVEN NATURE OF THE GRANT, THE INFO MEMO SUGGESTED THAT THE PROJECT WOULD BE DESIGNED FOR CONTRACTOR IMPLEMENTATION AND MINIMIZE DIRECT-HIRE STAFFING REQUIREMENTS FOR PROGRAM MONITORING.

2. AS DESCRIBED IN THE INFO MEMO, THE PROJECT WOULD INCLUDE FACULTY EXCHANGE AND PROVIDE TRAINING AS WELL AS POST DEGREE RESEARCH FOR FACULTY. EMPHASIS OF THE PROGRAM WOULD BE TO BUILD TIES BETWEEN ITALY AND THE U.S., PROVIDE OPPORTUNITIES FOR INTER-CULTURAL EXCHANGES AND FOSTER LINKAGES BETWEEN U.S. AND ITALIAN INSTITUTIONS. CONCENTRATION ON FACULTY EXCHANGES AND TRAINING SHOULD INCREASE THE PROBABILITY THAT THOSE PARTICIPATING WILL RETURN FOLLOWING PROGRAM COMPLETION TO TEACH AT THEIR RESPECTIVE INSTITUTIONS. INTENT IS FOR THE PROJECT TO INCLUDE A VARIETY OF DEVELOPMENT

FIELDS RATHER THAN CONCENTRATING IN ONE FIELD AND NOT LIMITING PARTICIPATION TO A SINGLE EDUCATIONAL INSTITUTION IN ITALY OR THE U.S. FURTHER CLARIFICATION OF PROJECT WILL BE DISCUSSED BEFORE TEAM LEAVES FOR ITALY. ANY ADDITIONAL THOUGHTS YOU MAY HAVE AT THIS TIME WOULD BE WELCOME.

3. WE PROPOSE THAT PROJECT PAPER DESIGN PROCEED AT CONVENIENCE OF AID/NAPLES. TOM CHAPMAN AND TONY VOLBRECHT OF NE/TECH/HRST ARE AVAILABLE FOR THE THREE TO FOUR WEEKS BELIEVED NECESSARY TO PREPARE THE PP. TRAVEL AND PER DIEM FOR THOSE WEEKS EFFORT ARE ESTIMATED AT DOLS. 6,000 FUNDED BY AID/NAPLES OPERATING EXPENSE. ADDITIONALLY, THE SERVICES OF TWO INTERPRETERS FOR THREE WEEKS EACH, INCLUDING IN-COUNTRY TRAVEL AND PER DIEM FOR THEM OUTSIDE OF NAPLES, AND AN ESTIMATED TWENTY-FIVE HOURS OF TYPIST SERVICES WILL ALSO BE REQUIRED. WOULD PREFER TO HAVE DRAFT IN HAND FOR EASE OF EDITING.

4. WOULD WELCOME AID/NAPLES STAFF TEAM MEMBER PARTICIPATION TO EXTENT TIME AVAILABLE.

5. DESIGN TEAM WILL FOCUS EFFORTS ON OPTIONS PRESENTED

UNCLASSIFIED

28

LOP: 4years (FY84-FY88)
Total U.S. Funding: \$3,000,000
Date Prepared: 4/84

ANNEX B

PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK

Project Title and Number: Southern Italian Fellowship Program (145-8401)

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumptions
<u>Program Goal:</u> Strengthen the pool of manpower resource trained in development related areas	Fellowships recipients return to Italy.	AID and contractor records	Minimum loss due to brain-drain.related areas.
<u>Project Purpose:</u> Increase the number of university researchers from Southern universities trained in the U.S. at the post graduate level in fields related to social and economic development.	Fellowship recipients complete their research/ study programs and return to Italy.	AID and contractor record	Fellowship recipients will not encounter insurmountable academic or personal obstacles.
<u>Project Outputs:</u> 1. Postgraduate research programs completed	<u>Magnitude of Outputs:</u> 1. Up to 73 university researchers complete research/study programs in the U.S. of up to one year (incl. up to 3 months of ESL training)	AID and contractor records	Sufficient number of qualified candidates exist.
<u>Inputs:</u> 1. Postgraduate research programs - 73 person years	<u>Implementation Target:</u> AID GOI Other TOTAL 1) 3,000 1,278 136 4,414	AID and Contractor records be readily forthcoming.	Counterpart support will be readily forthcoming

5C(1) - COUNTRY CHECKLIST

Listed below are statutory criteria applicable generally to FAA funds, and criteria applicable to individual fund sources: Development Assistance and Economic Support Fund

A. GENERAL CRITERIA FOR COUNTRY ELIGIBILITY.

1. FAA Sec. 481; FY 1984 Continuing Resolution. Has it been determined or certified to the Congress by the President that the government of the recipient country has failed to take adequate measures or steps to prevent narcotic and psychotropic drugs or other controlled substances (as listed in the schedules in Section 202 of the Comprehensive Drug Abuse and Prevention Control Act of 1971) which are cultivated, produced or processed illicitly, in whole or in part, in such country or transported through such country, from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents or from entering the United States unlawfully? No.

2. FAA Sec. 620 (c). If assistance is to a government, is the government liable as debtor or unconditional guarantor on any debt to a U.S. citizen for goods or services furnished or ordered where (a) such citizen has exhausted available legal remedies No.

and (b) the debt is not denied or contested by such government?

3. FAA Sec. 620 (e) (1). If assistance is to a government, has it (including government agencies or subdivisions) tak any action which has the effect of nationalizing, expropriating, or otherwise seizing ownership or control of property of U.S. citizens or entities beneficially owned by them without taking steps to discharge its obligations toward such citizens or entities? No.
4. FAA Sec. 532 (c), 620 (a), 620 (f), 620 D; FY 1982 Appropriation Act Secs. 512 and 513. Is recipient country a Communist country? Will assistance be provided to Angola, Cambodia, Cuba, Laos, Vietnam, Syria, Libya, Iraq, or South Yemen? Will assistance be provided to Afghanistan or Mozambique without a waiver? No to all questions.
5. ISDCA of 1981 Secs. 724, 727, 728, and 730. For specific restrictions on assistance to Nicaragua, see Sec. 724 of the ISDCA of 1981. For specific restrictions on assistance to El Salvador, see Secs 727, 728 and 730 of the ISDCA of 1981. N/A
6. FAA Sec. 620 (j). Has the country permitted, or failed to take adequate measures to prevent, the damage or destruction by mob action of U.S. property? No.

7. FAA Sec. 620 (k). Does the program furnish assistance in excess of \$100,000,000 for the construction of a productive enterprise, except for productive enterprises in Egypt that were described in the Congressional Presentation materials? No.
8. FAA Sec. 620 (l). Has the country failed to enter into an agreement with OPIC? No.
9. FAA Sec 620 (o); Fishermen's Protective Act of 1967, as amended, Sec. 5.
(a) Has the country seized, or imposed any penalty or sanction against, any U.S. fishing activities in international waters? No.
(b) If so, has any deduction required by the Fishermen's Protective Act been made? No.
10. FAA Sec. 620 (g); FY 1982 Appropriation Act Sec. 517.
(a) Has the government of the recipient country been in default for more than six months on interest or principal of any AID loan to the country? No.
(b) Has the country been in default for more than one year on interest or principal on any U.S. loan under a program for which the appropriation bill appropriates funds? No.
11. FAA Sec. 620 (s). If contemplated assistance is Development loan or from Yes, taken into account by the Administrator at time of approval of Agency OYB.

Economic Support Fund, has the Administrator taken into account the amount of foreign exchange or other resources which the country has spent on military equipment?

Reference may be made to the annual "Taking into Consideration" memo: "Yes, taken into account by the Administrator at time of approval of Agency OYB" This approval by the Administrator of the Operational Year Budget can be the basis for an affirmative answer during the fiscal year unless significant changes in circumstances occur.

12. FAA Sec. 620 (t). Has the country severed diplomatic relations with the United States? If so, have they been resumed and have new bilateral assistance agreements been negotiated and entered into since such resumption?

No.

13. FAA Sec. 620 (u). What is the payment status of the country's U.N. obligations? If the country is in arrears, were such arrearages taken into account by the AID Administrator in determining the current AID Operational Year Budget?

Not in arrears.

14. FAA Sec. 620A; FY 1982 Appropriation Act Sec. 520. Has the country aided or abetted, by granting sanctuary from prosecution to, any individual or group which has committed an act of international terrorism? Has the country aided or abetted, by granting sanctuary from prosecution

No.

to, any individual or group which has committed a war crime?

15. FAA Sec. 666. Does the country object, on the basis of race, religion, national origin or sex, to the presence or any officer or employee of the U.S. who is present in such country to carry out economic development programs under the FAA? No.
16. FAA Sec. 669, 670. Has the country, after August 3, 1967, delivered or received nuclear enrichment or reprocessing equipment, materials, or technology, without specified arrangements or safeguards? Has it transferred as nuclear explosive device to a non-nuclear weapon state, or if such a state, either received or detonated a nuclear explosive device, after August 3, 1977? (FAA Sec. 620E permits a special waiver of Sec. 669 for Pakistan.) No.
17. FAA Sec. 720. Was the country represented at the Meeting of Ministers of Foreign Affairs and Heads of Delegations of the Non-Aligned Countries to the 36th General Session of the General Assembly of the U.N. of Sept. 25 and 28, 1981, and failed to disassociate itself from the communique issued? If so has the President taken it into account? No.
18. FAA Sec. 721. See special requirements for assistance to Haiti. N/A

B. FUNDING SOURCE CRITERIA FOR COUNTRY ELIGIBILITY

1. Development Assistance Country Criteria.

a. FAA Sec. 116. Has the Department of State determined that this government has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, can it be demonstrated that contemplated assistance will directly benefit the needy?

N/A

2. Economic Support Fund Country Criteria

a. FAA Sec. 502B. Has it been determined that the country has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, has the country made such significant improvements in its human rights record that furnishing such assistance is in the national interest?

No.

b. FAA Sec. 620B. If ESF is to be furnished to Argentina, has the President certified that (1) the Govt. of Argentina has made significant progress in human rights; and (2) that the provision of such assistance is in the national interest of the U.S.?

N/A

c. ISDCA of 1981, Sec. 726(b). If ESF assistance is to be furnished to Chile, has the President certified that (1) the Govt. of Chile has made significant progress in

N/A

human rights; (2) it is in the national interest of the U.S.; and (3) the Govt. of Chile is not aiding international terrorism and has taken steps to bring to justice those indicted in connection with the murder of Orlando Letelier?

5C(2) PROJECT CHECKLIST

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

CROSS REFERENCES: IS COUNTRY CHECKLIST UP TO DATE? HAS STANDARD ITEM CHECKLIST BEEN REVIEWED FOR THIS PROJECT?

A. GENERAL CRITERIA FOR PROJECT

1. FY 1982 Appropriation Act Sec. 523; FAA Sec. 634A; Sec. 653(b).

(a) Describe how authorizing and appropriations committees 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 amount)?

(a) Notified by CN dated

(b) Yes.

2. FAA Sec. 611(a)(1). Prior to obligation in excess of \$100,000, will there be (a) engineering, financial or other plans necessary to carry out the assistance and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?

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? Not required.
4. FAA Sec. 611(b); FY 1982 Appropriation Act Sec. 501. If for water or water-related land resource construction, has project met the standards and criteria as set forth in the Principles and Standards for Planning Water and Related Land Resources, dated October 25, 1973? N/A
5. FAA Sec. 611(e). 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 to 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; and (c) encourage development and use of cooperatives, and 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. Project fosters competition as all contracts to be competed.
8. FAA Sec. 601(b). Information and conclusions 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). Project is a training project which will basically send students to U.S. institutions.
9. FAA Sec. 612(b), 636(h); FY 1982 Appropriation Act Sec. 507. 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 in lieu of dollars. N/A

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(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? Yes.
12. FY 1982 Appropriation Act Sec. 521. If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity? N/A
13. FAA 118(c) and (d). Does the project take into account the impact on the environment and natural resources? If the project or program will significantly affect the global commons or the U.S. environment, has an environmental impact statement been prepared? If the project or program will significantly affect the environment of a foreign country, has an environmental assessment been prepared? Does the project or program take into consideration the problem of the destruction of tropical forests? Yes. As a training project, project will not have a significant impact on the environment.

14. FAA 121(d). If a Sahel project, has a determination been made that the host government has an adequate system for accounting for and controlling receipt and expenditure of project funds (dollars or local currency generated therefrom)? N/A

B. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria

- a. FAA Sec. 102(b), 111, 113, 281(a). 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 N/A

the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries?

b. FAA Sec. 103, 103A, 104, 105, 106. Does the project fit the criteria for the type of funds (functional account) being used? N/A

c. FAA Sec. 107. Is emphasis on use of appropriate technology (relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)? 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 is the latter cost-sharing requirement being waived for a "relatively least developed" country)? N/A

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

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

g. 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 processes essential to self-government. N/A

2. Development Assistance Project Criteria (Loans Only)

a. FAA Sec. 122(b). Information and conclusion on capacity of the country to repay the loan, at a reasonable rate of interest. N/A

b. FAA Sec. 620(d). If assistance is for any productive enterprise which will compete with U.S. enterprises, 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

- c. ISDCA of 1981, Sec. 724(c) and (d). If for Nicaragua, does the loan agreement require that the funds be used to the maximum extent possible for the private sector? Does the project provide for monitoring under FAA Sec. 624(g)?
- N/A

3. Project Criteria Solely for Economic Support Fund

- a. FAA Sec. 531(a). Will this assistance promote economic or political stability? To the extent possible, does it reflect the policy directions of FAA Section 102?
- The project is a training project which will encourage Italian/American ties.
- b. FAA Sec. 531(c). Will assistance under this chapter be used for military, or paramilitary activities?
- No.
- c. FAA Sec. 534. Will ESF funds be used to finance the construction of the operation or maintenance of, or the supplying of fuel for, a nuclear facility? If so, has the President certified that such use of funds is indispensable to nonproliferation objectives?
- No.
- d. FAA Sec. 609. If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made?
- N/A

5C(3) - STANDARD ITEM CHECKLIST

Listed below are the 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 commodities and services financed? Yes.

2. FAA Sec. 604(a). Will all procurement 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 marine insurance companies authorized to do business in the U.S., will commodities be insured in the United States against marine risk with such a company? N/A

4. FAA Sec. 604(e); ISDCA of 1980 Sec. 705(a). If offshore procurement of agricultural commodity or product is to be N/A

financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably be procured in U.S.)

5. FAA Sec. 604(g). Will construction or engineering services be procured from firms of countries otherwise eligible under Code 941, but which have attained a competitive capability in international markets in one or these areas? N/A
6. FAA Sec. 603. Is the shipping excluded from compliance with requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 per centum of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S. flag commercial vessels to the extent that such vessels are available at fair and reasonable rates? N/A
7. FAA Sec. 621. If technical assistance is financed, will such assistance be furnished by private enterprise on a contract basis to the fullest extent practicable? If the facilities of other Yes.

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

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

Yes.

9. FY 1982 Appropriation Act Sec. 504. If the U.S. Government is a party to a contract for procurement, does the contract contain a provision authorizing termination of such contract for the convenience of the United States?

Yes.

Construction

1. FAA Sec. 601(d). If capital (e.g., construction project, will U.S. engineering and professional services to be used?

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 U.S. not exceed \$100 million (except for productive enterprises in Egypt that were described in the CP)? N/A

C. Other Restrictions

1. FAA Sec. 122(b). 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 have audit rights? N/A

3. FAA Sec. 620(h). Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries? Yes

4. Will arrangements preclude use of financing:

- a. FAA Sec. 104(f); FY 1982 Appropriation Act Sec. 525: (1) To pay for performance of abortions as a method of family N/A

planning or to motivate or coerce persons to practice abortions; (2) to pay for performance of involuntary sterilization as method of family planning, or to coerce or provide financial incentive to any person to undergo sterilization, (3) to pay for any biomedical research which relates, in whole or part, to methods or the performance of abortions or involuntary sterilizations as a means of family planning; (4) to lobby for abortion?

N/A

N/A

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

N/A

c. FAA Sec. 660. To provide training or advice or provide any financial support for police, prisons, or other law enforcement forces, except for narcotics programs?

N/A

d. FAA Sec. 662. For CIA activities?

N/A

e. FAA Sec. 636(i) For purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained?

N/A

f. FY 1982 Appropriation Act, Sec. 503. To pay pensions, annuities, retirement pay, or

N/A

adjusted service
compensation for military
personnel?

g. FY 1982 Appropriation
Act, Sec. 505. To pay
U.N. assessments,
arrearages or dues? N/A

h. FY 1982 Appropriation
Act, Sec. 506. To carry
out provisions of FAA
section 209(d) (Transfer
of FAA funds to
multilateral
organizations for
lending)? N/A

i. FY 1982 Appropriation
Act, Sec. 510. To
finance the export of
nuclear equipment, fuel,
or technology or to train
foreign nationals in
nuclear fields? N/A

j. FY 1982 Appropriation
Act, Sec. 511. Will
assistance be provided
for the purpose of aiding
the efforts of the
government of such
country to repress the
legitimate rights of the
population of such
country contrary to the
Universal Declaration of
Human Rights? No.

k. FY 1982 Appropriation
Act, Sec. 515. To be
used for publicity or
propaganda purposes
within U.S. not
authorized by Congress? Yes.

ANNEX E.1

P R O J E C T A N A L Y S E S

1. TECHNICAL ANALYSIS

The technical aspects of participant identification, selection, placement, monitoring, evaluation and funding are in place and have worked relatively well throughout the years. These sound mechanisms will be used to implement this Project. Finally, the size and composition of the training program under this Project are justified, based on the experience of similar non-A.I.D. programs in Italy.

Budget Calculation Basis

Budget calculations are based on the following departure of fellowship grantees from Italy:

Post Graduate Research Program

- October 1985	20
- June 1986	28
- June 1987	25

A. Participant Training

Participant training cost detail is based on estimated annual costs per 84 State 022966 and 84 State 066498. Given the large range of research program costs depending on the types of research and the institution where it will be conducted, the figure of \$10,000 was determined to be a planning average based on experience in other similar AID programs.

B. Project Administration

Personnel costs are based on salary scales used by such organizations as AMIDEAST and IIE in the management of other AID projects. The overhead rate of 100% was used as it represents the higher rate given to such institutions. Inflation rates of 7.5% for the U.S. contractor and 12% for the Fulbright Commission were used.

C. Government of Italy Salary and Benefits

Current university researcher salary pay scale ranges from 1,000,000 lire to 1,500,000 lire. The conversion rate of 1500 Lire = US\$1 was used. Benefits which include social security and health insurance, as well as others, are 54 per cent of salary costs per Italian laws. It is assumed for budget calculation purposes that all university researchers will be currently employed.

D. Airfares

Airfares are the responsibility of the fellowship recipient. The participant can obtain a 40% reduction on the national airline, Alitalia, upon certification of his/her participation in a scholarship program.

ANNEX E.2.(a)

Budget Calculation Basis

Participant Training Cost detail (Annual costs for academic year 1984-85)

Graduate Research Program (12 months)

1. Maintenance	\$ 12,000
2. University/Research Institute Fees	10,000
3. Travel in US (for research purposes)	700
4. Equipment allowance	300
5. Health Insurance	300
6. Book Allowance	420
7. Technical/Professional Conferences	800
8. Technical/Professional Organization Membership	120
9. Miscellaneous	360
Total	<u>25,000</u>

ANNEX E.2.(b)

Budget Calculation Basis

Annual Participant Training Costs broken into Base and Inflation Costs by FY.

Base Costs

- FY 1986 (20PT x \$2084/mo x 12)	\$ 500,240
- .FY 1986 (28PT x \$2084/mo x 3)	175,056
- FY 1987 (28PT x \$2084/mo x 9)	525,168
- .FY 1987 (25PT x \$2084/mo x 3)	156,300
- FY 1988 (25PT x \$2084/mo x 9)	468,900
Total	<u>1,825,664</u>

Inflation Costs*

- FY 1985 - 0 -	
- FY 1986 (20PT X 3,000 X 1 yr)	\$60,000
- FY 1986 (28PT X 3,000 X .25 yr)	21,000
- FY 1987 (28PT X 3,400 X .75 yr)	71,400
- FY 1987 (25 X 34,000 X .25 yr)	21,250
- FY 1988 (25 X 3,700 X .75 yr)	70,300
	<u>\$243,950</u>

Summary Totals

Base Costs	1,825,664
Inflation Costs	<u>243,950</u>
Total	\$2,069,614

* Inflation calculated at 11%, compounded annually.

ANNEX E.2 (c)

Budget Calculation Basis (12 months costs)

<u>Project Administration</u>		135,015
<u>Contractor Personnel</u>		51,600
- Project Coordinator/Placement		
- Specialist (\$2500/mo x 12mo)		30,000
- Placement/Admin asst (1500/mo X 12mo) $\frac{1}{2}$		18,000
- Financial Manager (\$2000/mo x 12mo x .15)		3,600
<u>Consultants</u>		17,885
- Salaries (@\$250/da x 15 dys x 2)	7,500	
- Per Diem (@\$80/da x 21 dys x 2)	3,360	
- Travel:		
International (US-Italy-US (\$1600 x 2)	3,200	
In country (car rental (\$75/da x 21 dys)	1,575	
- Interpreter Services (\$75/da x 15 dys x 2)	2,250	
Supplies/Materials		3,000
Communication		2,000
Travel (US-Italy-US, 1RT/yr)		2,500
Overhead (100% of Personnel Costs)		51,600
Contingency (5%)		6,430
<u>Sub-contractor (Fulbright Commission)</u>		64,900
- Personnel (25% of 1983/84 IFC personnel costs) (L.267,200,000 [\$178,134] x .25)		35,700
- Travel/Per Diem:		9,500
International (1RT/yr-Italy-US)	2,500	
In country (10RT -Rome-S. Italy) (@ 100/each trip x 75 day per diem @ \$80/day)	7,000	
- Rent and utilities (25% of IFC Admin Budget 1983/84)		1,600
- Program Publicity/Application Review		9,000
- Supplies and materials		1,000
- Equipment** (telex installation, files, desks, typewriters)		4,500
- Communications (Telex rental, phone)		5,000
- Contingency (5%)		3,090

9 months in FY 85

Inflation Costs**

<u>Contractor</u>	
- FY 1985 (7.5% x \$135,015)	\$ 10,125
- FY 1986 (7.5% x \$145,140)	10,900
- FY 1987 (7.5% x \$156,040)	11,700
- FY 1988 (7.5% x \$108,000)***	9,400
Total	<u>42,125</u>

<u>Sub-contractor</u>	
- FY 1985 (12% x 64,900)	\$ 7,800
- FY 1985 (12% x 4,500)*	540
- FY 1986 (12% x 72,700)	8,725
- FY 1987 (12% x 81,425)****	9,800
- FY 1988 (12% x 17,500)	3,000
Total	<u>29,865</u>

Base Costs

<u>Contractor</u>	<u>Sub-contractor</u>
(FY 1985) \$135,015	FY 1985 \$ 70,000
(FY 1986) 135,015	FY 1986 64,900
(FY 1987) 135,015	FY 1987 64,900
(FY 1988) 108,000	FY 1987 12,500****
Total <u>\$513,045</u>	<u>\$212,300</u>

* 1985 expenditure: office equipment purchases in FY 1985.

** calculated at 7.5% for contractor and 12% for sub-contractor.

*** In FY 88, no consultant costs, no travel.

**** Sub-contractor costs include .50 person for follow-up in FY 88.

ANNEX E.2 (d)

Budget Calculation BasisHost Country/Participant Contribution CostsSalary (calculated on FY 1984 base)

- FY 1986 (20 x \$825/mo x 12 mo)	\$ 198,000
- FY 1986 (28 x \$825/mo x 3 mo)	69,300
- FY 1987 (28 x \$825/mo x 9 mo)	207,900
- FY 1987 (25 x \$825/mo x 3 mo)	61,875
- FY 1988 (25 x \$825/mo x 9 mo)	<u>185,625</u>
Total	722,700

Benefits

Benefits are calculated at current rate of 54 per cent of salary costs per Italian law. Benefits include social security, health insurance, taxes, etc.

- FY 1986 (20 x \$825/mo x 12 mo x .54)	\$ 106,920
- FY 1986 (28 x \$825/mo x 3 mo x .54)+	37,422
- FY 1987 (28 x \$825/mo x 9 mo x .54)	112,266
- FY 1987 (25 x \$825/mo x 3 mo x .54)+	33,412
- FY 1988 (25 x \$825/mo x 9 mo x .54)	<u>100,238</u>
Total	390,258

InflationA. Salaries & Benefits

- FY 1985 (267,300 + 144,342 x .12)	\$ - 0 -
- FY 1986 (\$461,042 .12)	55,325
- FY 1987 (\$519,150 x .12)	62,300
- FY 1988 (\$401,650 x .12)	48,200
total	<u>165,825</u>

B. Travel

- FY 1984 (\$1600 (RT Italy - US - Italy)	\$ - 0 -
- FY 1985 (\$1600 + 192) x .12 = \$215 x -0-	- 0 -
- FY 1986 (1792 x 215) x .12 = \$240 x 48	11,500
- FY 1987 (\$2007 x 241) x .12 = \$270 x	6,750
	<u>18,250</u>

Airfares*

- FY 1985 \$1600 (RT Italy - US - Italy)	\$ - 0 -
- FY 1986 48 x \$1600 " " "	76,800
- FY 1987 25 x \$1600 " " "	<u>40,000</u>
Total	116,800

* Participants will be required to pay for their own airfare to/from city of fellowship program.

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Department of State

OUTGOING
TELEGRAM

PAGE 01
ORIGIN AIO-00

STATE 022966

1039 013247 AID9727

ORIGIN OFFICE IT-06
INFO AAAF-02 AFEA-03 AFSA-03 AFFW-04 AFCW-03 AFOR-06 AFCA-03
AAAS-01 ASPT-02 ASPN-02 AALA-01 LACE-03 LASA-03 LAOP-04
LAOR-03 AANE-01 NEDP-03 NETC-04 NENA-03 PCPE-01 POPR-01
PPPB-02 FM-02 OIRM-02 ASPD-03 ASTR-02 NEE-03 NEME-03
AFOA-01 RELO-01 MAST-01 ASSP-02 LACA-03 ASBI-02 NEUR-02
WAB-01 /092 A4 325

INFO OCT-00 COPY-01 /001 R

DRAFTED BY AID/ST/IT/PP: D. TERRELL: CR
APPROVED BY AID/ST/IT: T. BALL
DOUG DILL, FM/PAD (DRAFT)
ERWIN SEELEY, ASIA/TR (INFO)
BARRY HEYMAN, NE/TECH/HRST (INFO)
CYNTHIA PERRY, AFR/TR/EHR (INFO)
SCOTT SMITH, LAC/DR (INFO)
FRANCIS METHOD, PPC/PDPR (INFO)

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FM SECSTATE WASHDC
TO AIO WORLDWIDE

UNCLAS STATE 022966

ADM AID

E. O. 12356: N/A

TAGS:

SUBJECT: FY 1984 MONTHLY BUDGET PLANNING FIGURES FOR U. S.
PARTICIPANT TRAINING

REF: HANDBOOK TEN, APPENDIX C, PARTICIPANT TRAINING
NOTICE, NO. 81-3A

1. USAIDS SHOULD USE THE FOLLOWING MONTHLY BUDGET PLANNING
FIGURES, EXCLUSIVE OF INTERNATIONAL TRAVEL, WHEN PREPARING
FY 1984 PIO/PS FUNDING U. S. PARTICIPANT TRAINING.

-- ACADEMIC 1,700 DOLS PER MONTH
-- TECHNICAL 3,100 DOLS PER MONTH

2. THE FIGURES PROVIDED ARE FOR PRELIMINARY PIO/P, BUDGET-
ING ONLY. THEY HAVE BEEN OBTAINED BY AVERAGING THE PARTI-
CIPANT TRAINING BUDGETS DEVELOPED BY AID/W DURING THE
FOURTH QUARTER OF FY 1983. AS IN PRIOR YEARS, UPON RECEIPT
OF PIO/P AND DEVELOPMENT OF TRAINING PROGRAMS ST/IT AND
FM/PAD WILL PREPARE A FINAL AND ACTUAL BUDGET FOR EACH
U. S. PROGRAM. THIS BUDGET WILL BE BASED ON CURRENT U. S.
TRAINING COSTS. THE MONTHLY FIGURES IN THIS MESSAGE
THEREFORE DO NOT REPRESENT ACROSS THE BOARD FIXED CHARGES
THAT AID/W INTENDS TO APPLY.
UNCLASSIFIED 2

3. WHEN ESTIMATING FUNDING OF A PIO/P FOR AN ACADEMIC
TRAINING PROGRAM THAT WILL REQUIRE MORE THAN TWELVE
MONTHS, USAIDS SHOULD APPLY AN INFLATION FAC-OR OF 11
PERCENT TO EACH ADDITIONAL YEAR, OR PORTION THEREOF, OF
TRAINING.

4. ST/IT WILL REISSUE A COMPLETE REVISION OF THE REFERENC
PARTICIPANT TRAINING NOTICE, PARTICIPANT ALLOWANCES, IN
THE NEXT FEW MONTHS. ITS EFFECTIVE DATE WILL BE JULY 1,
1984. I. D. 300 SHULTZ

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3. ECONOMIC ANALYSIS

In order to be acceptable from an economic point of view, a project should meet both cost benefit and cost effectiveness criteria. That is to say, it must produce net benefits in the form of enhanced welfare which are at least as great (when appropriately discounted) as those from other possible investments and the outputs must be produced at less cost than alternative methods for delivering comparable products. Both these tests are difficult to evaluate in a training project. Nonetheless, the analysis that follows will demonstrate that there is a strong possibility that training to be carried out under this project will produce an acceptable increase in host country output.

The usual empirical methodology for evaluating the benefits of training are based on the fact that in competitive markets in equilibrium, a firm's profits are at a maximum when it adjusts production so that the wages of each category of labor (and of other productive factors) are equal to the value of that factor's marginal product, that is the value of a unit of output from a unit increase in the input of the productive factor. Thus for small changes in inputs, factor compensation is equal to the total increase in the value of output (that is, there are no additional or external benefits other than those received by the factors of production). Starting from this premise, differences in wage rates are directly proportional to differences in physical productivity. Consequently, differences in wage rates among workers with and without a certain kind of training who are identical in every other relevant respect will measure the contribution to the value of output of that training.

Controversy about the relevance of this kind of "return to investment in human capital" measurement has tended to focus on this last point; the difficulty of separating out the effects of other relevant characteristics on wage rates, especially the nebulous quality of "ability". It is important though to keep in mind the more fundamental assumptions; competitive labor market equilibrium, and profit maximizing behaviour on which the equivalence of wage changes and national income changes in response to training are based.

The preceding points have been elaborated because it appears superficially unlikely that the kinds of training provided by this project can be demonstrated to be economically viable. Estimated tuition and living costs for post graduate researchers are \$25,000 per year. Researchers presently employed by universities are earning from \$675 and \$1000 per month. If this income is an accurate reflection of

the value of output lost while they are pursuing their research programs, and if the tuition and program administration costs are an accurate reflection of the economic costs of providing the fellowships, total economic cost of a one year research program is \$45,080 * It is assumed that all of the researchers will return to their employment within the university system in which the salaries are set by the Government of Italy. Salary increases would depend on changes in pay scales and the additional upward mobility which might result from participation in a research program. For those entering other professional fields, the probability of higher life time earnings is greater, but an accurate projection is not possible. In the private sector there is greater potential for salary levels to increase because of the training.

Where training is justified on the basis of improved salaries, the question is whether this cost should not in fact be borne by the trainees. First local capital market obstacles may prevent potential trainees from borrowing for that purpose. Second, employers might not be willing to pay for such training. However, in general, this will not happen. Most kinds of formal training not

* calculating a researcher's salary at 387,500 lire (\$1,000) per month.

only increase the employee's productivity in the firm which employs him or her but also increases the employee's potential productivity to competing firms. If this is the case, salaries will rise to reflect the employee's marginal productivity in alternative employment. Thus the employer would pay twice; once for the training itself and again in higher salary to retain the trained employee.

Most instances of economically justified U.S. participant training are likely to reflect one form or another of "market failure". Probably the most common instance of this failure involves employment in the public sector. Since public sector activities are not in general characterized by profit maximizing behaviour, the equating of salary differentials with, marginal productivity differentials break down and technical training may well be under supplied. More specifically, one can think of instances when, for example, improved management training in a large inefficiently run public sector organization may lead to a very substantial efficiency gain from more effective management. To justify such training, however, it would be necessary to show not only a sufficiently large program but also substantial scope for efficiency gains which the proposed training would address directly.

While other examples could be elaborated, it should be clear from the foregoing that little can be said in general about the net economic benefit of the proposed training and each case will have to be evaluated individually.

4.

SOCIAL SOUNDNESS ANALYSIS

The social objective of the Southern Italy Fellowship Program is twofold. On the one hand, it seeks to ensure that all who are qualified for the program have reasonably equal opportunities to apply. On the other hand, it targets the program at young academics in the university system so that these fellowship recipients will have a longer period of time during their professional careers to utilize the professional linkages with U.S. scholars and researchers which are to be initiated during their study/research in the U.S. This strategy also has developmental implications. Because of the longer period of time that young participants will have upon returning home to utilize their U.S. professional linkages, it may be assumed that the developmental impact will be greater. Accordingly, the social soundness of the Project becomes a function of how fellowship recipients are selected, who receives fellowships, what they study and how they are utilized upon their return to Italy.

It can be assumed that there will be many more candidates than there are fellowships. If one of the social objectives of the Southern Italy Fellowship Program is to be achieved, applicants must perceive the selection procedures as both fair and just. One of the primary reasons for the selection of the Italy Fulbright Commission to implement Project activities in Italy was that over the past thirty-five years it has developed a reputation for being fair and just in the selection of recipients for Fulbright and other grants.

Because of the differences between the Italian system of scholarship and research and the American system, fellowship recipients may initially experience some difficulties. However, the Project builds in orientation into the ESL program in the U.S. and this program should help to explain some of the differences and help participants better adjust to U.S. academic/research life.

The direct beneficiaries of the Project will be the fellowship recipients themselves. The additional education participants receive will help them to perform their work more effectively and may allow them to earn even more pay. Moreover, an improvement in the participants' career opportunities is a likely outcome. The universities in which returned participants work will also benefit, since the new ideas and skills of the newly trained should add to the effectiveness and productivity of these entities.

MEMORANDUM

TO: NE/TECH/HRST, Anthony Vollbrecht

FROM: NE/PD/ENV, Barbara A.Ormond
Deputy Environmental Coordinator

SUBJECT: Southern Italy Fellowship Program Project Paper
(145-8401)

I have reviewed the subject project and concur in the recommendation of a categorical Exclusion under the provisions of 22 CFR 216.2 (c) (2) (i) and (XIV), "AID Environmental Procedures".

ANNEX E.5

INITIAL ENVIRONMENTAL EXAMINATION
OR
CATEGORICAL EXCLUSION

Project Country: Italy
Project Title and Number : 145-8401
Funding: FY 1984 \$3,000,000
IEE/CE Prepared by: AID/Naples
Environmental Action Recommended: Categorical Exclusion

This activity meets the criteria for Categorical Exclusion in accordance with section 216.2 (c) (2) (i) and (XIV) and is excluded from further review because:

This project will provide long-term training and will not involve activities directly affecting the environment. Accordingly, the A.I.D. Representative and Design Team have determined that this project is categorically excluded from the requirement for an Initial Environmental Examination, EA or EIS.

The proposed Project's purpose is to increase the number of southern Italians studying in the U.S. in selected development areas. It will provide funds for 73 university researchers to conduct research/study programs at universities and research institutions in the U.S. The Project will be implemented through a cooperative agreement.

Bureau Environmental Officer

Approved: _____ (Signed)
Disapproved: _____
Date: _____ July 10, 1984

ANNEX F
Attachment F

AID 1350-1 (10-79) PIO/T	UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY AGENCY FOR INTERNATIONAL DEVELOPMENT	1. Cooperating Country Italy	Page 1 of 9 Pages
	PROJECT IMPLEMENTATION ORDER/TECHNICAL SERVICES	2. PIO/T No. 145-8401-3-4001	3. <input checked="" type="checkbox"/> Original or Amendment No. _____
		4. Project Activity No. and Title 145-8401 Southern Italy Fellowship Program	

DISTRIBUTION	5. Appropriation Symbol 72-1141037 NESA-84-23145-KG-13		6. Allotment Symbol and Charge 437-51-145-00-69-41		
	7. Obligation Status <input checked="" type="checkbox"/> Administrative Reservation <input type="checkbox"/> Implementing Document		8. Project Assistance Completion Date (Mo., Day, Yr.) 9/30/87		
	9. Authorized Agent SER/CM		10. This PIO/T is in full conformance with PRO/AG N/A Date _____		
	11a. Type of Action and Governing AID Handbook <input type="checkbox"/> AID Contract (HB 14) <input type="checkbox"/> PASA/RSSA (HB 12) <input type="checkbox"/> AID Grant (HB 13) <input checked="" type="checkbox"/> Other Cooperative Agreement		11b. Contract/Grant/PASA/RSSA Reference Number (if this is an Amendment) _____		
	12. Estimated Financing (A detailed budget in support of column (2) is attached as attachment no. <u>2</u>)				
		(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
Maximum AID Financing	A. Dollars		1,500,000		1,500,000
	B. U.S.-Owned Local Currency				

13. Mission References	<p>14a. Instructions to Authorized Agent SER/CM/ROD/NE is requested to negotiate a Cooperative Agreement to implement and manage a post graduate research/study program supporting southern Italy university researchers at U.S. institutions in fields related to economic and social development.</p> <p>The Assistant Administrator for the Near East Bureau has approved limiting the solicitation of proposals for the Cooperative Agreement to the following entities: America-Mideast Educational and Training Services, Institute for International Education, Experiment in International Living and the Latin American Scholarship Program at American Universities. This PIO/T is exempt from the requirements set forth in the supplement to OMB Circ. A-76, Handbook 3. CN expires August 25, 1984</p> <p>14b. Address of Voucher Paying Office Office of Financial Management, AID/W</p>
------------------------	---

15. Clearances—Include typed name, office symbol, telephone number and date for all clearances.

A. The project officer certifies that the specifications in the statement of work are technically adequate NE/TECH/HRST, A. Vollbrecht	Phone No. _____ Date 8/20/84	B. The statement of work lies within the purview of the initiating and approved agency programs NE/EUR, M. Sterne	Date 8/21/84
C. NE/TECH/HRST, H. Freeman	Date _____	D. Funds for the services requested are available NE/DP/PR, B. Pearson <i>upt 8-21-84</i> PPC/PB, J. Painter	
E. NE/PD, L. Thompson <i>L. Moore for</i>	Date 8/21/84	Mission funded:	

16. For the cooperating country: The terms and conditions set forth herein are hereby agreed to	17. For the Agency for International Development
Signature _____ Date _____	Signature <i>K.H. Sherper</i> Date 8/23/84
Title _____	Title Director, NE/TECH

67

AIO 1350-1
(10-79)

1. Cooperating Country
Italy

2. PIO/T No.

Page 2 of 9 Pages

PIO/T

4. Project/Activity No. and Title
145-8401

Southern Italy Fellowship Program

SCOPE OF WORK

18. THE SCOPE OF TECHNICAL SERVICES REQUIRED FOR THIS PROJECT ARE DESCRIBED IN ATTACHMENT NUMBER 1
HERETO ENTITLED "~~STATEMENT OF WORK~~ Purpose of Cooperative Agreement and Program

19. SPECIAL PROVISIONS

- A. LANGUAGE REQUIREMENTS (SPECIFY) N/A
(IF MARKED, TESTING MUST BE ACCOMPLISHED BY AIO TO ASSURE DESIRED LEVEL OF PROFICIENCY)
- B. ACCESS TO CLASSIFIED INFORMATION WILL WILL NOT BE REQUIRED BY TECHNICIAN(S).
- C. DUTY POST(S) AND DURATION OF TECHNICIANS' SERVICES AT POST(S) (MONTHS) Recipient TDY and consultant services may be required in Italy for up to 12 weeks total
- D. DEPENDENTS WILL WILL NOT BE PERMITTED TO ACCOMPANY TECHNICIAN.
- E. WAIVER(S) HAVE BEEN APPROVED TO ALLOW THE PURCHASE OF THE FOLLOWING ITEM(S) (COPY OF APPROVED WAIVER IS ATTACHED)
- F. COOPERATING COUNTRY ACCEPTANCE OF THIS PROJECT (APPLICABLE TO AID/W PROJECTS ONLY)
 HAS BEEN OBTAINED HAS NOT BEEN OBTAINED
 IS NOT APPLICABLE TO SERVICES REQUIRED BY PIO/T
- G. OTHER (SPECIFY)

20. BACKGROUND INFORMATION (ADDITIONAL INFORMATION USEFUL TO AUTHORIZED AGENT)

None

21. SUMMARY OF ATTACHMENTS ACCOMPANY THE PIO/T (INDICATE ATTACHMENT NUMBER IN BLANK)

- 2 DETAILED BUDGET IN SUPPORT OF INCREASED FUNDING (BLOCK 12)
- _____ EVALUATION CRITERIA FOR COMPETITIVE PROCUREMENT (BLOCK 14)
- _____ JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT (BLOCK 14)
- 1 STATEMENT OF WORK (BLOCK 13)
- _____ WAIVER(S) (BLOCK 19) (SPECIFY NUMBER)

AID 1350-1 (10-79)	1. Cooperating Country Italy	2. PIO/T No.	Page 3 of 9 Pages
	4. Project/Activity No. and Title 145-8401 Southern Italy Fellowship Program		

22. Relationship of Contractor or Participating Agency to Cooperating Country and to AID

A. Relationships and Responsibilities

Recipient shall carry out the tasks set forth under Program Description in collaboration with AID.

B. Cooperating Country Liaison Official

N/A

C. AID Liaison Officials

A. A. Vollbrecht, Education Specialist, NE/TECH/HRST, AID/W

LOGISTIC SUPPORT

23. Provisions for Logistic Support	IN KIND SUPPLIED BY		FROM LOCAL CURRENCY SUPPLIED BY		TO BE PROVIDED OR ARRANGED BY SUPPLIER
	AID	COOPERATING COUNTRY	AID	COOPERATING COUNTRY	
A. Specific Items (Insert "X" in applicable column at right. If entry needs qualification, insert asterisk and explain below in C. "Comments")					
(1) Office Space					X
(2) Office Equipment					X
(3) Housing and Utilities					X
(4) Furniture					X
(5) Household Equipment (Stoves, Refrig., etc.)					X
(6) Transportation in Cooperating Country					X
(7) Transportation To and From Country					X
(8) Interpreter Services/Secretarial					X
(9) Medical Facilities					X
(10) Vehicles (official)					X
(11) Travel Arrangements/Tickets					X
(OTHER SPECIFY)					
(12)					
(13)					
(14)					
(15)					

B. Additional Facilities Available From Other Sources

APO/EPO

PX

COMMISSARY

OTHER (Specify, e.g., duty free entry, tax exemption)

Since recipient is not expected to require an expatriate representative, no duty free privileges or tax exemptions will be provided.

PROGRAM DESCRIPTION

A. Background

This Project complements AID's Southern Italy Earthquake Relief and Reconstruction Program. Since the devastating earthquake in 1980, the U.S. Congress has appropriated \$80 million in disaster relief funds for school reconstruction and private and voluntary organization (PVO) programs. An appropriation of \$10 million by the U.S. Congress for FY 1984 will be used to continue these programs and fund this \$1.5 million fellowship program.

Southern Italy is defined, for project purposes, as the area known as the "Mezzogiorno" and includes the four southern-most regions of Italy. It does not include Sicily or Sardinia.

Italy "graduated" from the post World War II U.S. Marshall Plan in the late 1940's and would not normally be considered for AID developmental assistance. AID's presence in southern Italy is a direct result of the devastating 1980 earthquake which exacerbated an already economically depressed area. The Mezzogiorno is recognized by the Government of Italy as the least developed area of the country and is given special emphasis in that there is a specific ministry for the development of this region.

U.S. resources for school reconstruction and PVO activities have helped to rebuild the physical infrastructure of the earthquake area. PVO programs, in addition to physical infrastructure reconstruction, have provided for local level human resources development.

The activities noted above have contributed significantly to the earthquake reconstruction efforts in southern Italy and AID's involvement has been greatly appreciated by the regional and central governments.

B. Objective

The objective of this Cooperative Agreement is to provide financial assistance for post graduate research/study training at U.S. institutions to selected participants from southern Italy as part of an effort to strengthen the pool of manpower resources trained in development related areas while encouraging closer political and cultural ties between the U.S. and Italy.

C. Scope of Services

The following is a detailed scope of services for the start-to-finish administration of the training programs under this Project. In furtherance of the objectives noted above, the recipient will design and implement post graduate research/study programs in the U.S. for Italian scholars. Approximately 35 graduate researchers will participate during the three years of Project implementation. Approximately 15 researchers are to be programmed for the 1985-86 academic year and 20 for the 1986-87 academic year. Further details regarding the numbers, type of program and the duration of program are contained in the abridged Project Paper which is attached at the end of the program description. Final program design and schedule of participants' departures will be subject to AID review and approved prior to implementation. Specific AID areas of involvement are specific in Paragraph D, below. The Recipient will serve as the major point of contact between the Italian Fulbright Commission and the U.S. institutions in which the participants are placed for the purpose of this Project. Specific actions to be undertaken by Recipient in implementation of this project will include:

1. Establish a sub-recipient relationship with the Italy Fulbright Commission (IFC) which will identify participants from southern Italy and subsequently provide in a timely manner lists of these candidates ranked according to selection criteria establish consultatively and collaboratively by the Recipient, sub-recipient and AID. This relationship with IFC should also be utilized to the extent possible to reduce costs which would otherwise be required for the Recipient to establish/maintain permanent or periodic presence in southern Italy.

2. Be responsible for the promotion of the program to assure that the optimum number of candidates apply for fellowships. Such promotion will include publicizing the program in southern Italy through the sub-recipient. Special encouragement will be given to the participation of women.

3. Identify accredited U.S. universities and research institutions with programs related to AID's traditional development areas and southern Italy development needs for placement of participants.

4. Identify universities offering English language training for participants requiring up to three months of "topping-off" English language training. To the extent possible, the Recipient is encouraged to arrange language training at the same institution in which academic/research training will take place.

5. Arrange for two consultants in fields of expertise to be determined by the Recipient and AID to counsel applicants for the graduate research program of the extent and availability of university and research institution resources for research/study activities in the U.S. The consultants will travel to the universities in southern Italy to meet the applicants prior to submission of the applicants' detailed research/study program proposed to the sub-recipient.

6. In collaboration with the IFC distribute appropriate admission forms to participants and compile required admission and matriculation information for each participant. Submit completed admission forms to appropriate accredited U.S. educational institutions.

7. Prepare in consultation with the participant individual study and/or research plans outlining the research/study program to be pursued.

8. Arrange for timely administration of required scholastic exams, e.g., Graduate Record Examination (GRE), Graduate Management Admission Test, and Test of English as a Foreign Language (TOEFL).

9. Prior to the departure of the participants, assure that they have met all admission requirements of the U.S. institutions in which they have enrolled; all Italian legal requirements; all U.S. visa requirements; and that they are qualified for and covered by a health insurance program acceptable to AID.

10. Verify that the participants have made all necessary travel arrangements to and from the U.S. and that the participants possess sufficient non-project funding for this purpose in those cases where participants are expected to pay for their own transportation. Should the participant have spouse or dependents accompany, the participant should be appraised of U.S. regulations with which compliance is required and advised that AID regulations do not allow payment of maintenance for accompanying dependents.

11. Pay all required admission and enrollment fees, develop a means to pay advance per diem, monthly maintenance, book allowances and other standard fees generally consistent with established procedures for participants (AID Handbook 10

regulations do not apply); and devise a system for evaluating the special needs and costs of the participants. The Recipient's financial system should have an escrow or similar mechanism to validate participant's self-financing or international round-trip air travel in those places applicable.

12. Arrange for and conduct four discrete stages of orientation for participants: predeparture, arrival in the U.S., arrival on campus, and prior to return to Italy after completion of the training.

13. Establish and conduct in collaboration with AID and the appropriate U.S. universities, a program of regular counseling and monitoring to ensure timely resolution of any problems which might interfere with the participants' programs.

14. Maintain up-to-date financial and academic records for the program at large and for each participant. Data elements for such records shall be established collaboratively, but to the extent reasonable, once such elements have been captured in the data base, the Recipient shall be expected to respond to requests for information within two working days.

15. Develop a questionnaire to be completed by the participant before departing from the U.S. to assist in evaluation of his/her research/study program in the U.S.

16. Establish and maintain during the life of the Project a follow-up system directed at optimizing the impact of the returned participant to southern Italy development. Activities may include but not be limited to the maintenance of a public relations activity to assure the dissemination in Italy of information about the individual participants during the course of their studies in the U.S. and in preparation for the return to Italy. Other activities may include to the extent feasible the support of ties between the participant and the university where he studies; provision of professional journals as appropriate; and such other facilitative services as may emerge, be agreed to by AID, which are appropriate to the purposes of the Project.

17. Recipient shall further be prepared to collaborate on the amendment of any of the above activities should implementing experience with the program indicate that such would better achieve project goals.

D. Substantial Involvement Understandings

The Recipient of the Cooperative Agreement is to understand that AID may involve itself in several aspects of the project, including, but not limited to the following: collaboration on

and/or approval of the content of promotional materials; selection criteria; approval in any change of program mix; review of design of follow up system. Exercise of these understandings shall be in accordance with statutory authorities of the Foreign Assistance Act of 1961, as amended.

E. Reports

Recipient will submit reports to AID, the format, frequency and distribution of which will be determined in collaboration between the Receiptent and AID.

Attachment # 2

Budget

The technical services required by this PIO/T are expected to begin on 9/30/84 and end on 9/30/87.

<u>Category</u>	<u>Est. Cost</u>
Salaries	\$113,000
Project Coordinator/ Placement Specialist (33 mo.)	
Placement/Administrative Assistant (15 mo.)	
Financial Manager (4 mo.)	
Fringe Benefits	26,000
Consultants	36,000
Travel	7,000
Participant Training	1,060,000
Equipment, Materials, Supplies	6,000
Subgrant	130,000
Other Direct Costs	9,000
Overhead	<u>113,000</u>
Total	\$1,500,000

UNCLASSIFIED
Department of State

INCOMING
TELEGRAM

PAGE 01
ACTION AID-00

NAPLES 01757 221553Z

6553 057578 AID1927

ACTION OFFICE NETC-04

INFO NEMA-03 FM-02 CMGT-02 CTR-02 NEMR-03 RELO-01 TELE-01
MAST-01 /019 A3 222

INFO OCT-00 EUR-00 /000 W

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O 221304Z AUG 84
FM AMCONSUL NAPLES
TO AMEMBASSY TUNIS IMMEDIATE
SECSTATE WASHDC IMMEDIATE 2224

UNCLAS NAPLES 1757

AIDAC

TUNIS FOR CONT STATE FOR VOLLBRECHT NE/HRST

E. O. 12356 N/A

SUB: SOUTHERN ITALY FELLOWSHIP PROGRAM (145-3401)PIO/T

REF: STATE 246878

WHILE FUND CITES BEING PROVIDED SEPARATELY FROM TUNIS, AID/NAPLES
BELIEVES FOLLOWING PIO/T NUMBER APPROPRIATE: 145-8401-3-4001.
SILVA.

UNCLASSIFIED

AGENCY FOR INTERNATIONAL DEVELOPMENT



The Administrator

August 15, 1984

MEMORANDUM TO: Dick Derham
Toni Ford

FROM: Peter McPherson

RE: Italian scholarships

I have talked to Al Keel and we can go ahead with our Italian scholarship program. There is a clear understanding that there is no money going to be asked for in 1986 for this and of course, that we are against anything in 1985 if it comes up in the discussions in connection with the Continuing Resolution.

cc: Kelly Kammerer

0 2 AUG 1984

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR, NEAR EAST BUREAU

FROM : NE/TECH; Kenneth Sherper *K.S.*

SUBJECT: Southern Italy Fellowship Program, Limiting Invitation of Applications for Cooperative Agreement

Problem: Your approval is required to limit the entities that will be requested to submit proposals for the Southern Italy Fellowship Program Cooperative Agreement, to America-Mideast Educational and Training Services (AMIDEAST), Institute for International Education (IIE), Experiment in International Living (EIL) and Latin American Scholarship Program at American Universities (LASPAU).

Discussion: The Near East Advisory Committee has approved a \$3.0 million Southern Italy Fellowship Program, with \$1.5 million to be funded from fiscal year 1984 funds and \$1.5 million to be funded subject to availability of funds. The project will fund post graduate research/study in the United States for university researchers from southern Italian universities, in fields directly related to the economic and social development needs of southern Italy. The NEAC determined that training under this project could be best accomplished through a cooperative agreement. A sub-grantee relationship with the Italy Fulbright Commission for participant selection in Italy is planned. The life of the project will be three years.

Handbook 13, Chapter 6E.1, incorporating Chapter 1B2e, states that the responsible Assistant Administrator may approve inviting applications from only:

"a limited number of entities which . . . are known by the technical office to be able to undertake the effort which AID is interested in supporting or stimulating . . ."

The record should contain an explanation of:

"the limitation of sources and include a discussion of the other potential recipients that were considered." Ch. 1.B.2e.

NE/TECH/HRST has reviewed the field of education/training institutions and determined that the four institutions cited below are the best qualified to implement the activities planned under this project: AMIDEAST, IIE, EIL and LASPAU. All four organizations have successful experience in the placement of participants in non-degree programs similar to the post graduate research/study programs planned under the Southern Italy Fellowship Program. All four organizations are experienced in AID training program management and procedures. All four organizations have good internal management, efficient training and monitoring systems, and display tact in dealing directly with host country sensitivities.

AMIDEAST and IIE have worked closely with Fulbright programs; AMIDEAST in Cyprus and IIE in Italy and other countries. The recipient of this award will be required to enter into a sub-recipient relationship with the Italy Fulbright Commission. Despite our best efforts to identify additional possible competitors, we are not aware of other organizations with adequate experience in non-degree post graduate research programs, student pre-departure and return activities or AID participant program management.

The International Student Exchange Program (ISEP) of Georgetown University expressed great interest in the Southern Italy Fellowship Program and was considered as a potential competitor for the award. ISEP experience to date has been limited to undergraduate programs with placements based on a one-for-one exchange of U.S. and foreign students with each paying tuition and fees in his-her own institution then becoming an exchange student abroad. Theoretically, exchanges can be at any academic level and are usually non-degree. We find ISEP's program dynamic and interesting but feel it lacks requisite experience in student tracking from recruitment to follow-up when compared to the four institutions cited above.

Roy Littlejohn Associates, Southeast Consortium for International Development, New TransCentury Foundation and Arthur D. Little and Company were considered but were found to be less well-qualified in terms of international experience in placement of post graduate research/study participants and all have less experience than AMIDEAST, IIE, EIL or LASPAU in overall management of participant programs.

Recommendation: That you approve limiting the entities that will be requested to submit proposals for the Southern Italy Fellowship Program Cooperative Agreement to AMIDEAST, IIE, EIL and LASPAU.

Approved: _____

Disapproved: _____

Date: 07 AUG 1984

Clearances:

NE/TECH/HRST, H. Freeman. (draft) _____
NE/EUR, M. Sterne (draft) _____
GC/NE, G. Davidson (draft) _____
NE/DP, C. Johnson _____
DAA/NE, B. Langmaid _____

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON DC 20523

ANNEX G
CLASSIFICATION

30 September 1984

Dr. Lewis Tyler
Executive Director
Latin American Scholarship Program of
American Universities
25 Mount Auburn Street
Cambridge, Massachusetts 02138

Subject: Cooperative Agreement No. NEB-8401-A-00-4121-00

Dear Dr. Tyler:

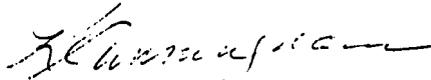
Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby provides to the Latin American Scholarship Program of American Universities (hereinafter referred to as Recipient) the sum of One Million, Five Hundred Thousand Dollars (\$1,500,000) in support of the Southern Italy Fellowship Program as more fully described in Attachment 2, entitled "Program Description."

This Cooperative Agreement is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program objectives through the estimated completion date of 29 September 1987. Funds disbursed by A.I.D. but uncommitted by the Recipient at the expiration of this period shall be refunded to A.I.D.

This Cooperative Agreement is made to the Recipient on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, the Schedule, Attachment 2, the Program Description, and Attachment 3, the Standard Provisions, which have been agreed to by your organization.

Please sign the original and seven (7) copies of this letter to acknowledge your receipt of the Cooperative Agreement, and return the original and six (6) copies to the Office of Contract Management. Be certain to return all copies marked "Funds Available"

Sincerely yours,



Kathryn Y. Cunningham
Agreement Officer
Regional Operations Division-NE
Office of Contract Management

Attachments:

- 1. Schedule
- 2. Program Description
- 3. Standard Provisions

ACKNOWLEDGED:

DATE: 9/27/84

BY: Peter M. Belmont

TYPED NAME: PETER M. BELMONT

TITLE: Director, Finance & Administration

FISCAL DATA

PRO/T No.: 145-8401-3-4001
Appropriation No.: 72-1141037
Budget Plan Code: NESA-84-23145-KG-13
Allotment No.: 437 -51-145-00-69-41
This Obligation: \$1,500,000
Total Estimated Cost: \$1,500,000
E.I. No.: 04-6151880
DUNS No.: 990912222
Technical Office: NE/TECH/HRST

ATTACHMENT 1

SCHEDULE

A. Purpose of Cooperative Agreement:

The purpose of this Agreement is to provide support for the Southern Italy Fellowship Program, as more specifically described in Attachment 2 to this Agreement entitled "Program Description."

B. Period of Agreement:

The effective date of this Agreement is 30 September 1984 and the estimated expiration date is 29 September 1987.

C. Amount of Agreement and Payment:

1. A.I.D. hereby obligates the amount of \$1,500,000 for purposes of this Grant.

2. Payment shall be made to the Recipient in accordance with procedures set forth in Attachment 3 - Standard Provision No. 7-A entitled "Payment - Letter of Credit."

D. Financial Plan:

1. The following is the Financial Plan for this Agreement, including local cost financing items, if authorized. Revisions to this Plan shall be made in accordance with Standard Provision of this Agreement, entitled "Revision of Financial Plans."

FINANCIAL PLAN

<u>Category</u>	<u>Amount</u>
Salaries	\$ 180,130
Fringe Benefits	37,827
Overhead	58,848
Consultants	23,200
Travel & Transportation	62,095
Equipment	5,500
Other Direct Costs	5,000
Participant Training	1,047,400
Subrecipient (Fulbright/Italy)	80,000
TOTAL	<u>\$1,500,000</u>

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Without the prior written approval of the A.I.D. Agreement Officer, the Recipient may not exceed the Grand Total set forth in the budget, nor may the Recipient adjust the costs for any individual line item by more than 15% of such line item.

E. Substantial Involvement Understanding:

It is understood and agreed that A.I.D. will be involved in several aspects of the project, including, but not limited to the following: collaboration on and/or approval of selection criteria; approval in any change of program mix; review of design of follow-up system.

F. Reporting:

1. Financial Reporting

a. Financial reporting requirements shall be in accordance with the Standard Provision of this Agreement entitled "Payment - 7A of this Agreement entitled "Payment - Letter of Credit."

b. The original and two copies of all financial reports shall be submitted to A.I.D., Office of Financial Management, Program Accounting Division (FM/PAD), Washington, D.C. 20523. In addition, five copies of all financial reports shall be submitted to the Technical Office specified in the Cover Letter of this Agreement.

3. Special Reports:

The Recipient shall submit special reports to A.I.D., the format, frequency and distribution of which will be determined in collaboration between the Recipient and A.I.D.

G. Overhead Rate:

Pursuant to the Standard Provision of this Cooperative Agreement entitled "Negotiated Overhead Rates - Nonprofit Organizations other than Educational Institutions," a rate or rates shall be established for each of the Recipient's accounting periods during the term of this Agreement. Pending establishment of final indirect cost rates for the initial period, provisional payments on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rate applied to the base which is set forth below:

<u>Type</u>	<u>Rate</u>	<u>Base</u>	<u>Period</u>
Home Office	27%	Salaries & Fringe	9/30/84 until amended

Special Provision:

1. OMB Circular A-122

a. The cost principles contained in "OMB Circular A-122" are applicable to this Grant.

b. The Circular reserves the sections on bid and proposal costs and independent research and development costs. A.I.D. and the Recipient hereby agree upon the following treatment of these costs, pending such time as the Circular is amended to include them:

(1) Bid and proposal (B&P) costs are the immediate costs of preparing bids, proposals, and applications for potential activities such as Government and non-Government grants, contracts and agreements, including the development of scientific, cost, and other data needed to support the bids, proposals, and applications. In general, B&P costs of the current accounting period are allowable as indirect costs. B&P costs of prior accounting periods are unallowable in the current period. In this regard, B&P costs incurred for the preparation of requests for specific projects and programs are acceptable for recovery as indirect costs. However, proposal costs incurred in the attempt to obtain unrestricted funds are to be treated as fund raising and must be included in the organization's direct cost base. If the organization's established practice is to treat B&P costs by some other method, the results obtained may be accepted only if found to be reasonable and equitable. B&P costs do not include independent research and development costs which are covered by paragraph (2) below, or preaward costs covered by Attachment B, Paragraph 33, of OMB Circular A-122.

(2) Independent research and development (R&D) costs are for R&D conducted by an organization which is not sponsored by Federal or non-Federal grants, contracts or other agreements. Independent R&D costs must be included in the organization's direct cost base for allocation of its proportionate share of indirect costs. The costs of independent R&D, including its proportionate share of indirect costs, are unallowable under A.I.D. agreements.

2. Close Out:

(a) Upon request, A.I.D. shall make prompt payments to a Recipient for allowable reimbursable costs under the Grant.

(b) The Recipient shall immediately refund any balance of unobligated (unencumbered) cash that A.I.D. has advanced or paid and that is not authorized to be retained by the Recipient for use in other agreements.

(c) A.I.D. shall obtain from the Recipient within 90 calendar days after the date of completion of the Agreement all financial, performance, and other reports required as the condition of the Grant. A.I.D. may grant extensions when requested by the Recipient.

(d) When authorized by the Agreement, A.I.D. shall make a settlement for any upward or downward adjustments to A.I.D.'s share of costs after these reports are received.

(e) The Recipient shall account for any property acquired with A.I.D. funds or received from the Government in accordance with provisions of paragraph T of chapter 1 of HB 13.

(f) In the event a final audit has not been performed prior to the closeout of the Agreement, A.I.D. shall retain the right to recover an appropriate amount after fully considering the recommendations.

K. Alterations and Additions to Standard Provisions:

1. In Attachment 3, Standard Provisions, delete the words "Grant" and "Grantee" wherever they appear and substitute in lieu thereof the words "Cooperative Agreement" and "Recipient".

2. Delete the Standard Provisions 7B, 7C, 10B, 13B and 13C.

3. The Standard Provisions of this Agreement are hereby amended to include the attached alterations in Grant dated July 1983.

4. Delete Standard Provision 7A and substitute the following in lieu thereof:

7.A Payment - Letter of Credit (July 1984)

(This provision is applicable only when the following conditions are met: (i) the total advances under all the

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Grantee's cost-reimbursement contracts and assistance instruments with A.I.D. exceed \$120,000 per annum, (ii) A.I.D. has, or expects to have, a continuing relationship with the Grantee for at least one year; (iii) the Grantee has the ability to maintain procedures that will minimize the time elapsing between the transfer of funds and the disbursement thereof; (iv) the Grantee's financial management system meets the standards for fund control and accountability required under the Standard Provision of this Grant, entitled "Accounting, Audit, and Records" and, either (v) the foreign currency portion of the total advance under this Grant is less than 50% or (vi) the foreign currency portion of the total advance under this grant is more than 50% but more than one foreign currency country is involved.)

(a) Payment under this Grant shall be by means of a Letter of Credit (LOC) in accordance with the terms and conditions of the LOC and any instructions issued by A.I.D.'s Office of Financial Management, Program Accounting and Finance Division (M/FM/PAFD).

(b) As long as the LOC is in effect, the terms and conditions of the LOC and any instructions issued by M/FM/PAFD constitute payment conditions of this Grant, superseding and taking precedence over any other provision of this Grant concerning payment.

(c) Reporting:

(1) A "Financial Status Report" SF-269, shall be prepared on an accrual basis and submitted quarterly no later than 30 days after the end of the period, in an original and two copies to AID/M/FM/PAFD, Washington, D.C. 20523. If the Grantee's accounting records are not normally kept on the accrual basis, the Grantee shall not be required to convert its accounting system, but shall develop such accrual information through best estimates based on an analysis of the documentation on hand. The final report must be submitted within 90 days after the conclusion of the Grant to M/FM/PAFD. In cases where grants are Mission funded, the Grantee will forward an information copy to the A.I.D. Mission accounting station at the same time the original and one copy are mailed to M/FM/PAFD, AID/Washington.

(2) The grantee shall submit an original and one copy of SF-272, "Federal Cash Transactions Report," within 15 working days following the end of each quarter to M/FM/PAFD. Grantees receiving advances totaling more than \$1 million per year shall

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submit the SF-272 on a monthly basis within 15 working days following the close of the month. Grantees shall report all cash advances in the Remarks section of SF-272. Those cash advances in excess of immediate disbursement requirements in the hands of subrecipients or the Grantee's field organizations shall be supported by short narrative explanations of action taken by the Grantee to reduce the excess balances.

(d) Revocation of the LOC is at the discretion of the authorized LOC certifying officer of M/FM/PAFD. Notification of revocation must be in writing and must specify the reason for revocation. FM/PAFD shall provide the Grant Officer a copy of the revocation notice and a recommendation for an alternative method of payment (periodic advance or cost reimbursement) based upon the reasons for the revocation. The Grant Officer shall immediately amend this Agreement to provide for an appropriate alternative method of payment. The Recipient may appeal any such revocation to the Grant Officer.

PROGRAM DESCRIPTION

A. Background

This project complements A.I.D.'s Southern Italy Earthquake Relief and Reconstruction Program. Since the devastating earthquake in 1980, the U.S. Congress has appropriated \$80 million in disaster relief funds for school reconstruction and private and voluntary organization (PVO) programs. An appropriation of \$10 million by the U.S. Congress for FY 1984 will be used to continue these programs and fund this \$1.5 million fellowship program.

Southern Italy is defined, for project purposes, as the area known as the "Mezzogiorno" and includes the four southern-most regions of Italy. It does not include Sicily or Sardinia.

Italy "graduated" from the post World War II U.S. Marshall Plan in the late 1940's and would not normally be considered for A.I.D. developmental assistance. A.I.D.'s presence in southern Italy is a direct result of the devastating 1980 earthquake which exacerbated an already economically depressed area. The Mezzogiorno is recognized by the Government of Italy as the least developed area of the country and is given special emphasis in that there is a specific ministry for the development of this region.

U.S. resources for school reconstruction and PVO activities have helped to rebuild the physical infrastructure of the earthquake area. PVO programs, in addition to physical infrastructure reconstruction, have provided for local level human resources development.

The activities noted above have contributed significantly to the earthquake reconstruction efforts in southern Italy and A.I.D.'s involvement has been greatly appreciated by the regional and central governments.

B. Objective

The objective of this Cooperative Agreement is to provide financial assistance for post graduate research/study training at U.S. institutions to selected participants from southern Italy as part of an effort to strengthen the pool of manpower resources trained in development related areas while encouraging closer political and cultural ties between the U.S. and Italy.

C. Scope of Services

The following is a detailed scope of services for the

start-to-finish administration of the training programs under this project. In furtherance of the objectives noted above, the Recipient will design and implement post graduate research/study programs in the U.S. for Italian scholars. Approximately 45 graduate researchers will participate during the three years of project implementation. Approximately 15 researchers are to be programmed for the 1985-86 academic year and 30 for the 1986-87 academic year. Final program design and schedule of participants' departures will be subject to A.I.D. review and approved prior to implementation. The Recipient will serve as the major point of contact between the Italian Fulbright Commission and the U.S. institutions in which the participants are placed for the purpose of this project. Specific actions to be undertaken by Recipient in implementation of this project will include:

1. Establish a sub-recipient relationship with the Italy Fulbright Commission (IFC) which will identify participants from southern Italy and subsequently provide in a timely manner lists of these candidates ranked according to selection criteria establish consultatively and collaboratively by the Recipient, sub-recipient and A.I.D. This relationship with IFC should also be utilized to the extent possible to reduce costs which would otherwise be required for the Recipient to establish/maintain permanent or periodic presence in southern Italy.
2. Be responsible for the promotion of the program to assure that the optimum number of candidates apply for fellowships. Such promotion will include publicizing the program in southern Italy through the sub-recipient. Special encouragement will be given to the participation of women.
3. Identify accredited U.S. universities and research institutions with programs related to A.I.D.'s traditional development areas and southern Italy development needs for placement of participants.
4. Identify universities offering English language training for participants requiring up to three months of "topping-off" English language training. To the extent possible, the Recipient is encouraged to arrange language training at the same institution in which academic/research training will take place.

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5. Arrange for two consultants in fields of expertise to be determined by the Recipient and A.I.D. to counsel applicants for the graduate research program of the extent and availability of university and research institution resources for research/study activities in the U.S. The consultants will travel to the universities in southern Italy to meet the applicants prior to submission of the applicants' detailed research/study program proposed to the sub-recipient.
6. In collaboration with the IFC distribute appropriate admission forms to participants and compile required admission and matriculation information for each participant. Submit completed admission forms to appropriate accredited U.S. educational institutions.
7. Prepare in consultation with the participant individual study and/or research plans outlining the research/study program to be pursued.
8. Arrange for timely administration of required scholastic exams, e.g., Graduate Record Examination (GRE), Graduate Management Admission Test, and Test of English as a Foreign Language (TOEFL).
9. Prior to the departure of the participants, assure that they have met all admission requirements of the U.S. institutions in which they have enrolled; all Italian legal requirements; all U.S. visa requirements; and that they are qualified for and covered by a health insurance program acceptable to A.I.D.
10. Verify that the participants have made all necessary travel arrangements to and from the U.S. and that the participants possess sufficient non-project funding for this purpose in those cases where participants are expected to pay for their own transportation. Should the participant have spouse or dependents accompany, the participant should be appraised of U.S. regulations with which compliance is required and advised that A.I.D. regulations do not allow payment of maintenance for accompanying dependents.
11. Pay all required admission and enrollment fees, develop a means to pay advance per diem, monthly maintenance, book allowances and other standard fees generally consistent with established procedures for participants (A.I.D. Handbook 10 regulations do not apply); and devise a system for evaluating the special needs and costs of the participants. The Recipient's financial system should have an escrow or similar mechanism to validate participant's self-financing or international round-trip air travel in those places applicable.

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12. Arrange for and conduct four discrete stages of orientation for participants; predeparture, arrival in the U.S., arrival on campus, and prior to return to Italy after completion of the training.
13. Establish and conduct in collaboration with A.I.D. and the appropriate U.S. universities, a program of regular counseling and monitoring to ensure timely resolution of any problems which might interfere with the participants' programs.
14. Maintain up-to-date financial and academic records for the program at large and for each participant. Data elements for such records shall be established collaboratively, but to the extent reasonable, once such elements have been captured in the data base, the Recipient shall be expected to respond to requests for information within two working days.
15. Develop a questionnaire to be completed by the participant before departing from the U.S. to assist in evaluation of his/her research/study program in the U.S.
16. Establish and maintain during the life of the project a follow-up system directed at optimizing the impact of the returned participant to southern Italy development. Activities may include but not be limited to the maintenance of a public relations activity to assure the dissemination in Italy of information about the individual participants during the course of their studies in the U.S. and in preparation for the return to Italy. Other activities may include to the extent feasible the support of ties between the participant and the university where he studies; provision of professional journals as appropriate; and such other facilitative services as may emerge, be agreed to by A.I.D., which are appropriate to the purposes of the project.
17. Recipient shall further be prepared to collaborate on the amendment of any of the above activities should implementing experience with the program indicate that such would better achieve project goals.

SEP - 5 1984

Dr. Richard Dye
Vice President
Institute of International Education
809 United Nations Plaza
New York, NY 10017

Dear Dr. Dye:

Subject: Request for Application (RFA) ROD/NE-84-11
Southern Italy Fellowship Program
Amendment No. 1

It has come to our attention that Section II - Selection Criteria and pages 15 and 16 of Section III - Program Description were inadvertently omitted from the subject RFA issued on 27 August 1984. They are included herewith as Attachments A and B respectively.

In addition, the subject RFA is hereby amended as follows:

A. Section - Request Instructions and Conditions

Under paragraph d. Business Management Information, delete in its entirety subparagraph (5) Award of Cooperative Agreement on page 7 and substitute in lieu thereof the following:

"(5) Award of Cooperative Agreement

AID anticipates award of a cooperative agreement to that responsible applicant whose application, conforming to this request, offers the highest quality program (as evaluated against the technical selection criteria) within the available funds. It is anticipated that funds totaling \$1,500,000 will be available for this project. The agreement is expected to be awarded by 30 September 1984 for a period of three years from date of award."

- B. The Closing Date for submission of the Application is hereby extended to 14 September 1984.

Sincerely yours,

Kathryn Y. Cunningham
Contracting Officer
Regional Operations Div.-NE
Office of Contract Management

CM/ROD/NE:JEF
JEF
Frame:ecj

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Issue Date: August 27, 1984

Closing Date: September 10, 1984

Subject: Request for Application (RFA) ROD/NE 84-11, Southern Italy Fellowship Program

The Agency for International Development (A.I.D.) is seeking applications from institutions interested in cooperating in a program for a Southern Italy Fellowship Program as described in Section III of this RFA.

This proposed cooperative agreement was designed so that project implementation would serve the common interests of both A.I.D. and the Recipient organization. In addition to providing assistance under A.I.D. programs, it is anticipated that involvement in this project will strengthen the capabilities of the Recipient and provide new opportunities for professional development.

The Agency considers this requirement to be primarily assistance to an institution or an organization for a public purpose, rather than the acquisition of services. Accordingly, an assistance instrument, in lieu of contractual relationship, has been determined to be the most appropriate vehicle for transferring U.S. institutional experience in this area to less developed countries. An assistance instrument is used when the principal purpose of the relationship between AID and the other party or parties is the transfer of money or services to the Recipient in

order to accomplish a public purpose through support or stimulation of the Recipient's own program or project. Under a cooperative agreement AID's involvement is on a partnership basis, as opposed to the relationship established under a contract where the Agency is acquiring specific goods or services for its own use or benefit. Unlike other types of assistance instruments, however, a cooperative agreement does entail substantial involvement by AID in the program of the Recipient.

Consequently, it is not the Agency's intention to pay a fee or profit for the program that results from this RFA.

To this end, this RFA is being issued and consists of this cover letter and the following documents:

<u>Section No.</u>	<u>Title</u>
I	Request Instructions and Conditions
II	Selection Criteria
III	Program Description
IV	Cooperative Agreement Format

If you decide to submit an application, it must be received no later than 3:00 p.m. local time at the place designated for receipt of application on the date indicated above. Applications and modifications thereof, shall be submitted in sealed envelopes with the name and address of the applicant and the RFA number inscribed thereon, to:

Agency for International Development
Office of Contract Management
Regional Operations Division - NE,
Attn: Mrs. Joyce E. Frame
Washington, D.C. 20523

If handcarried - deliver to:

Agency for International Development
Office of Contract Management
Regional Operations Division - NE
Plaza West, Room 731
Attn: Mrs. Joyce E. Frame
1735 North Lynn Street
Arlington, Virginia 22209

Issuance of this request does not constitute an award commitment on the part of the Government nor does it commit the Government to pay for costs incurred in the submission of an application. Further, the Government reserves the right to reject any or all applications received and to negotiate separately with an applicant, if such action is considered to be in the best interest of the Government.

Telegraphic applications or telegraphic notices of intent to apply are not authorized for this requirement and will not be accepted.

In the event of an inconsistency between the documents comprising this RFA, it shall be resolved by the following order of precedence: (a) Proposed Cooperative Agreement Format; (b) Program Description; (c) Request Instructions.

Any questions concerning this RFA should be directed to Mrs. Joyce E. Frame who can be reached by phone at (703) 235-9117.

Applicants should retain for their records, one copy of any and all enclosures which accompany their application. If you are unable to submit an application, you are requested to so advise the issuing office.

Sincerely yours,

Kathryn Y. Cunningham
Agreement Officer
Regional Operations Division - NE
Office of Contract Management

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RFA AID/ROD/NE 84-11

SECTION I REQUEST INSTRUCTIONS AND CONDITIONS

RFA AID/ROD/NE 84-11
SECTION I

REQUEST INSTRUCTIONS AND CONDITIONS

The Applicant shall follow the instructions contained herein and supply all information required. Failure to furnish all information may disqualify an applicant. Applicants must set forth full, accurate, and complete information as required by this Request. The penalty for making false statements in applications to the U.S. Government is prescribed in 18 U.S.C. 1001.

Applications offering less than 60 days for acceptance by the Government from the date set for receipt will be considered nonresponsive and will be rejected.

1. Receipt of Applications

Applications must be received at the place designated by the date and time specified in the covering letter.

2. Preparation of Applications

You are requested to submit an application directly responsive to the terms, conditions, specifications, and clauses of this RFA. Applications not conforming to this RFA may be categorized as not meeting the minimum requirements of the Government, thereby eliminating it from further consideration. Applications should be submitted in two separate parts (a) technical and (b) cost. Technical applications should be submitted in five (5) copies and cost applications in three (3) copies.

a. Technical Applications

The technical application will be the critical item of consideration in selection for award of this Cooperative Agreement. It should be specific, complete, and presented consisely.

The technical application must set forth in detail your conceptual approach, methodology, and techniques for the accomplishment of the stated objectives. It must have a definitive work plan for achieving program objectives. The application must define the technical resources and expertise both of your organization and of the professional personnel proposed. The information presenting the capabilities of your organization and of

RFA AID/ROD/NE 84-11

the individuals to be assigned should spell out clearly the pertinent work experience and accomplishments, in developing and conducting programs of the type required under this agreement; as well as the specialized skills, professional competence, academic training, and relevant achievements of the personnel.

It is important that the technical applicant furnish supporting verifiable, objective evidence of successful program implementation, e.g. listing of organizations for or with whom similar activities were performed, with name and telephone number of contacts.

The applicant must demonstrate to the satisfaction of A.I.D. that it has the management, staff, and financing necessary to provide the effort described within this request.

Describe the role of each worker to be involved in the project, including the amount of time each will devote to the project. Provide biographical sketches and pertinent bibliographies on all professional personnel involved. The names and experience of important managerial and technical personnel to be assigned to this program shall also be included. Indicate the total staff which will be required and show in your submission how you propose to administer the Cooperative Agreement.

Provide a description of subcontract/subrecipient relationships with other organizations that will be necessary for the administration of the scope of activities. Indicate whether or not you have existing relationships with these other organizations or the method you propose to establish the necessary relationships.

b. Cost Application

Your cost application must provide in detail your total proposed costs for implementation of the scope of activities of this project. It shall include whatever schedules are felt necessary to support and/or explain your proposed costs. It should contain as a minimum:

- (1) a detailed analysis of level of effort including specific personnel, rate of compensation and amount of time proposed.
- (2) a detailed itinerary for all travel including the number of trips, purpose, name of traveler and itemized cost.

- (3) details of all other items of direct costs.
- (4) a letter from your cognizant Government Audit Agency stating your latest audited indirect cost rates, the base to which such rates are applied and the method of application. If you cannot obtain such a letter, you should submit sufficient information to allow an A.I.D. auditor to determine the reasonableness of your rates (for example, a breakdown of labor base and overhead pool, method of determining rate, annual financial statement, etc.)
- (5) a copy of your personnel policies and procedures, especially regarding salary, promotion, leave, differentials, etc. and indicate whether your personnel policies and procedures have been reviewed and approved by any agency of the Federal Government. If so, provide a name and address and phone number of the cognizant auditor.
- (6) Indicate whether or not your accounting system has been approved by any Government agency; if so, provide name, address and telephone number of the cognizant auditor.
- (7) If subcontracting/subgranting is contemplated, indicate the extent intended, the method of identifying subcontractors/subgrantees; the extent to which competition will be utilized, method of analyzing and types of subcontracts/subgrants proposed.

c. Applicant's Responsibility

Applicant must submit sufficient evidence of responsibility for the Contracting Officer to make a determination of responsibility. The information submitted should substantiate that the Applicant:

- (1) Has adequate financial resources or the ability to obtain such resources as required during the performance of the agreement.
- (2) Is able to comply with the required scope of activities, taking into account all existing business commitments, commercial as well as governmental.
- (3) Has a satisfactory record of performance; and

- (4) Has a satisfactory record of integrity and business ethics.

d. Business Management Information

- (1) List the three largest U.S. Government contracts and/or grants or other agreements awarded in the past three years which were of a related nature, indicating for each:

- (a) Description of supplies or services
- (b) Customer
- (c) Document No.
- (d) Name and Telephone number of cognizant Contracting Officer

(2) Explanation to Applicants

Any explanation desired by an applicant regarding the meaning or interpretation of the solicitation must be requested in writing and with sufficient time allowed for a reply to reach all applicants before submission of their applications. Oral explanations or instructions will not be binding. Any information given to a prospective applicant concerning this request will be furnished to all prospective applicants as an amendment to the RFA if such information is necessary to applicants in submitting applications or if the lack of such information would be prejudicial to uninformed applicants.

(3) Late Applications

a. Any application received at the office designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made, and;

- (1) It was sent by registered or certified mail not later than the fifth calendar day prior to the date specified for receipt of offers (e.g. an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th or earlier);

- (2) It was sent by mail (or telegram if authorized) and it is determined by the

RFA AID/ROD/NE 84-11

Government that the late receipt was due solely to mishandling by the Government after receipt at the Government installation; or

- (3) It is the only application received.
- b. Any modification of an application, except a modification resulting from the Contracting Officer's request for "best and final" offer, is subject to the same conditions as in a.(1) and a.(2) of this provision.
- c. A modification resulting from the Contracting Officer's request for "best and final" offer received after the time and date specified in such request will not be considered unless received before award and the late receipt is due solely to mishandling by the Government after receipt at the Government installation.
- d. The only acceptable evidence to establish:
- (1) The date of mailing of a late application or modification sent either by registered or certified mail is the U.S. Postal Service postmark on the wrapper or on the original receipt from the U.S. Postal Service. If neither postmark shows a legible date, the application or modification shall be deemed to have been mailed late. (The term "postmark" means a printed, stamped, or otherwise placed impression that is readily identifiable without further action as having been supplied and affixed on the date of mailing by employees of the U.S. Postal Service.)
- (2) The time of receipt at the Government installation is the time-date stamp of such installation on the proposal wrapper or other documentary evidence of receipt maintained by the installation.
- e. Notwithstanding a, b, and c of this provision, a late modification of an otherwise successful application which makes its terms more favorable to the Government will be considered at any time it is received and may be accepted.

- f. Applications may be withdrawn by written or telegraphic notice received at any time prior to award. Applications may be withdrawn in person by an applicant or his authorized representative, provided his identity is made known and he signs a receipt for the application prior to award.

(4) Disclosure of Information

The applicant is advised that, pursuant to the Freedom of Information Act, the public is entitled to request information from Agency files. As a general rule, information will be disclosed, except:

- a. Information submitted in response to a solicitation prior to award of an agreement or other instruments, or amendments thereto.
- b. Information properly classified or administratively controlled by the Government.
- c. Information specifically exempted from disclosure under the Freedom of Information Act.

Upon issuance of the Cooperative Agreement resulting from this solicitation, the Government will disclose, use or duplicate any information submitted in response to the solicitation to the extent provided in the cooperative agreement and as required by the Freedom of Information Act.

(5) Award of Cooperative Agreement

A.I.D. anticipates award of a cooperative agreement to that responsible applicant whose application, conforming to this request, offers the highest quality program (as evaluated against the technical selective criteria) within the available funds. It is anticipated that funds totaling \$4,900,000 will be available for this project and provision is made to increase this amount by an additional \$3,000,000 if funds are made available. The agreement is expected to be awarded approximately September 25, 1984 for a period of six calendar years from date of award. The agreement will be incrementally funded.

(6) Alternate Applications

If you desire to submit an application on other terms which you believe are advantageous to the Government, price or other factors considered, you should submit, in addition to a responsive application, an alternate application reflecting such advantages. An application directly responsive to this RFA must be submitted before consideration can be given to an alternative application.

(7) Authority to Bind Applicant

The offeror's application is to identify the individual(s) having authority to bind the offeror. It is also to name the person to be contacted both during the period of evaluation of applications and for negotiations leading to award. This information is to include: Name, title, address, phone number.

(8) Authority to Obligate Government

The Agreement Officer is the only individual who may legally commit the Government to the expenditure of public funds. No cost chargeable to the proposed agreement may be incurred before receipt of either a fully executed agreement or a specific, written authorization from the Agreement Officer.

RFA AID/ROD/NE 84-11

SECTION II - SELECTION CRITERIA

RFA AID/ROD/NE 84-11

SECTION III - PROGRAM DESCRIPTION

SECTION III
PROGRAM DESCRIPTION

A. Background

This Project complements AID's Southern Italy Earthquake Relief and Reconstruction Program. Since the devastating earthquake in 1980, the U.S. Congress has appropriated \$80 million in disaster relief funds for school reconstruction and private and voluntary organization (PVO) programs. An appropriation of \$10 million by the U.S. Congress for FY 1984 will be used to continue these programs and fund this \$1.5 million fellowship program.

Southern Italy is defined, for project purposes, as the area known as the "Mezzogiorno" and includes the four southern-most regions of Italy. It does not include Sicily or Sardinia.

Italy "graduated" from the post World War II U.S. Marshall Plan in the late 1940's and would not normally be considered for AID developmental assistance. AID's presence in southern Italy is a direct result of the devastating 1980 earthquake which exacerbated an already economically depressed area. The Mezzogiorno is recognized by the Government of Italy as the least developed area of the country and is given special emphasis in that there is a specific ministry for the development of this region.

U.S. resources for school reconstruction and PVO activities have helped to rebuild the physical infrastructure of the earthquake area. PVO programs, in addition to physical infrastructure reconstruction, have provided for local level human resources development.

The activities noted above have contributed significantly to the earthquake reconstruction efforts in southern Italy and AID's involvement has been greatly appreciated by the regional and central governments.

B. Objective

The objective of this Cooperative Agreement is to provide financial assistance for post graduate research/study training at U.S. institutions to selected participants from southern Italy as part of an effort to strengthen the pool of manpower resources trained in development related areas while encouraging closer political and cultural ties between the U.S. and Italy.

C. Scope of Services

The following is a detailed scope of services for the start-to-finish administration of the training programs under this Project. In furtherance of the objectives noted above, the recipient will design and implement post graduate research/study programs in the U.S. for Italian scholars. Approximately 35 graduate researchers will participate during the three years of Project implementation. Approximately 15 researchers are to be programmed for the 1985-86 academic year and 20 for the 1986-87 academic year. Further details regarding the numbers, type of program and the duration of program are contained in the abridged Project Paper which is attached at the end of the program description. Final program design and schedule of participants' departures will be subject to AID review and approved prior to implementation. Specific AID areas of involvement are specific in Paragraph D, below. The Recipient will serve as the major point of contact between the Italian Fulbright Commission and the U.S. institutions in which the participants are placed for the purpose of this Project. Specific actions to be undertaken by Recipient in implementation of this Project will include:

1. Establish a sub-recipient relationship with the Italy Fulbright Commission (IFC) which will identify participants from southern Italy and subsequently provide in a timely manner lists of these candidates ranked according to selection criteria establish consultatively and collaboratively by the Recipient, sub-recipient and AID. This relationship with IFC should also be utilized to the extent possible to reduce costs which would otherwise be required for the Recipient to establish/maintain permanent or periodic presence in southern Italy.

2. Be responsible for the promotion of the program to assure that the optimum number of candidates apply for fellowships. Such promotion will include publicizing the program in southern Italy through the sub-recipient. Special encouragement will be given to the participation of women.

3. Identify accredited U.S. universities and research institutions with programs related to AID's traditional development areas and southern Italy development needs for placement of participants.

4. Identify universities offering English language training for participants requiring up to three months of "topping-off" English language training. To the extent possible, the Recipient is encouraged to arrange language training at the same institution in which academic/research training will take place.

5. Arrange for two consultants in fields of expertise to be determined by the Recipient and AID to counsel applicants for the graduate research program of the extent and availability of university and research institution resources for research/study activities in the U.S. The consultants will travel to the universities in southern Italy to meet the applicants prior to submission of the applicants' detailed research/study program proposed to the sub-recipient.

6. In collaboration with the IFC distribute appropriate admission forms to participants and compile required admission and matriculation information for each participant. Submit completed admission forms to appropriate accredited U.S. educational institutions.

7. Prepare in consultation with the participant individual study and/or research plans outlining the research/study program to be pursued.

8. Arrange for timely administration of required scholastic exams, e.g., Graduate Record Examination (GRE), Graduate Management Admission Test, and Test of English as a Foreign Language (TOEFL).

9. Prior to the departure of the participants, assure that they have met all admission requirements of the U.S. institutions in which they have enrolled; all Italian legal requirements; all U.S. visa requirements; and that they are qualified for and covered by a health insurance program acceptable to AID.

10. Verify that the participants have made all necessary travel arrangements to and from the U.S. and that the participants possess sufficient non-project funding for this purpose in those cases where participants are expected to pay for their own transportation. Should the participant have spouse or dependents accompany, the participant should be appraised of U.S. regulations with which compliance is required and advised that AID regulations do not allow payment of maintenance for accompanying dependents.

11. Pay all required admission and enrollment fees, develop a means to pay advance per diem, monthly maintenance, book allowances and other standard fees generally consistent with established procedures for participants (AID Handbook 10

0 2 AUG 1984

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR, NEAR EAST BUREAU

FROM : NE/TECH, Kenneth Sherper *KS*

SUBJECT: Southern Italy Fellowship Program, Limiting Invitation of Applications for Cooperative Agreement

Problem: Your approval is required to limit the entities that will be requested to submit proposals for the Southern Italy Fellowship Program Cooperative Agreement, to America-Mideast Educational and Training Services (AMIDEAST), Institute for International Education (IIE), Experiment in International Living (EIL) and Latin American Scholarship Program at American Universities (LASPAU).

Discussion: The Near East Advisory Committee has approved a \$3.0 million Southern Italy Fellowship Program, with \$1.5 million to be funded from fiscal year 1984 funds and \$1.5 million to be funded subject to availability of funds. The project will fund post graduate research/study in the United States for university researchers from southern Italian universities, in fields directly related to the economic and social development needs of southern Italy. The NEAC determined that training under this project could be best accomplished through a cooperative agreement. A sub-grantee relationship with the Italy Fulbright Commission for participant selection in Italy is planned. The life of the project will be three years.

Handbook 13, Chapter 6E.1, incorporating Chapter 1B2e, states that the responsible Assistant Administrator may approve inviting applications from only:

"a limited number of entities which . . . are known by the technical office to be able to undertake the effort which AID is interested in supporting or stimulating . . ."

The record should contain an explanation of:

"the limitation of sources and include a discussion of the other potential recipients that were considered." Ch. 1.B.2e.

NE/TECH/HRST has reviewed the field of education/training institutions and determined that the four institutions cited below are the best qualified to implement the activities planned under this project: AMIDEAST, IIE, EIL and LASPAU. All four organizations have successful experience in the placement of participants in non-degree programs similar to the post graduate research/study programs planned under the Southern Italy Fellowship Program. All four organizations are experienced in AID training program management and procedures. All four organizations have good internal management, efficient training and monitoring systems, and display tact in dealing directly with host country sensitivities.

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AMIDEAST and IIE have worked closely with Fulbright programs; AMIDEAST in Cyprus and IIE in Italy and other countries. The recipient of this award will be required to enter into a sub-recipient relationship with the Italy Fulbright Commission. Despite our best efforts to identify additional possible competitors, we are not aware of other organizations with adequate experience in non-degree post graduate research programs, student pre-departure and return activities or AID participant program management.

The International Student Exchange Program (ISEP) of Georgetown University expressed great interest in the Southern Italy Fellowship Program and was considered as a potential competitor for the award. ISEP experience to date has been limited to undergraduate programs with placements based on a one-for-one exchange of U.S. and foreign students with each paying tuition and fees in his-her own institution then becoming an exchange student abroad. Theoretically, exchanges can be at any academic level and are usually non-degree. We find ISEP's program dynamic and interesting but feel it lacks requisite experience in student tracking from recruitment to follow-up when compared to the four institutions cited above.

Roy Littlejohn Associates, Southeast Consortium for International Development, New TransCentury Foundation and Arthur D. Little and Company were considered but were found to be less well-qualified in terms of international experience in placement of post graduate research/study participants and all have less experience than AMIDEAST, IIE, EIL or LASPAU in overall management of participant programs.

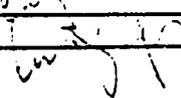
Recommendation: That you approve limiting the entities that will be requested to submit proposals for the Southern Italy Fellowship Program Cooperative Agreement to AMIDEAST, IIE, EIL and LASPAU.

Approved: 

Disapproved: _____

Date: 07 AUG 1984

Clearances:

NE/TECH/HRST, H. Freeman (draft) _____
NE/EUR, M. Sterne (draft) _____
GC/NE, G. Davidson (draft) _____
NE/DP, C. Johnson _____
DAA/NE, B. Langmaid _____


ANNEX I

CALENDAR No. 410

98th CONGRESS

1st Session

S. 1892

(Report No. 98-245)

Making appropriations for foreign assistance and related programs for the fiscal year ending September 30, 1984, and for other purposes.

IN THE SENATE OF THE UNITED STATES

September 27 (legislative day, September 26), 1983
Mr. Kasten, from the Committee on Appropriations, reported the following original bill; which was read twice and placed on the calendar

A BILL

Making appropriations for foreign assistance and related programs for the fiscal year ending September 30, 1984, and for other purposes.

- 1 Be it enacted by the Senate and House of representa-
- 2 tives of the United States of America in Congress assembled,
- 3 That the following sums are appropriated, out of the money
- 4 in the Treasury not otherwise appropriated, for foreign assist-
- 5 ance and related programs for the fiscal year ending Septem-
- 6 ber 30, 1984, and for other purposes, namely:

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1 twenty years following the date on which funds are initially
2 made available under such loans.

3 American schools and hospitals abroad: For necessary
4 expenses to carry out the provisions of section 214,
5 \$25,000,000.

6 International disaster assistance: For necessary ex-
7 penses to carry out the provisions of section 491,
8 \$25,000,000: Provided, That \$10,000,000 shall be used for
9 earthquake relief and reconstruction in Southern Italy, which
10 amount may be derived either from amounts appropriated to
11 carry out this section or from up to \$10,000,000 of amounts
12 heretofore appropriated pursuant to chapter 4 of part II for
13 Syria which are, if deobligated, hereby continued available
14 for the purposes of this section or for other programs for Italy
15 consistant with sections 102-106.

16 Sahel development program: For necessary expenses to
17 carry out the provisions of section 121, \$103,000,000, to
18 remain available until expended: Provided, That no part of
19 such appropriation may be available to make any contribution
20 of the United States to the Sahel development program in
21 excess of 10 percent of the total contributions to such pro-
22 gram.

ITALIAN HIGHER EDUCATION SYSTEM **

All education in Italy is judged basically as it relates to university education. There remains in Italy today a sharp distinction between "classical" and "scientific education" on the one hand, and "professional" and "cultural" education, on the other. The Italian university system continues to be fundamentally what it was conceived to be in the Middle Ages: a universitas scholarium, a full association of students who call professors to teach them. More importantly, Italians continue to regard the university primarily as a seat of culture and a center for research. A university education is to provide the theoretical knowledge and research skills necessary to advance culture and science leaving little room for programs of a technological or practical or applied nature .

Education is compulsory for students from age 6 through 14, which encompasses the eight years of primary and lower secondary education, or middle school. Students must pass all eight subject areas (Italian; geography; civics and history; a foreign language; the mathematical, chemical, physical, and natural sciences; technical education; artistic education; musical education; and physical education) to enter upper secondary schools. Programs at this level are usually of five years duration and the traditional route to university education in Italy. A student with the goal of obtaining the laurea, the only degree offered by virtually all Italian universities and roughly equivalent to the U.S. master's degree, will enter either a classical, scientific or linguistic lyceum (high school) depending on his/her primary field of interest. Those interested in teaching school at the elementary school level would enter a four year secondary school for teacher training. Graduates of the classical, scientific and linguistic lyceums are prepared to enter any university in any discipline; those graduating from the secondary school for teacher training are prepared to enter higher institutes of physical education (three year university level schools or university faculties of education or foreign languages and literature. With the exception of a few university faculties, technical education in Italy begins and ends at the upper secondary level.

The university dominates higher education in Italy today. The corso di laurea (degree program) is synonymous with university education. The laurea, the only degree conferred by Italian universities, is the central part of all Italian education: all lower certificates of study are measured against it; there is no higher certificate of study at the present time. Without the laurea, one is denied access to a wide range of careers in both the private and the public sector.

**Excerpt taken from the book, Italy, by Joseph P. Capobianco.

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Within the university system, three types of diploma are conferred. The first includes two- and three-year programs that have the same entrance requirements as the laurea programs. These programs are usually components of four-year laurea programs and offer easy transfer to a laurea program.

The second type of diploma program requires a laurea for admission. This type of program consists of three categories; specialization schools, schools of advanced study and several unique courses of study. These programs vary from one to five years in duration. Finally, there exists a large number of programs of various types and varying admissions requirements known by the generic term of "special aim schools". These schools, although always attached to university faculties, have programs clearly distinct from laurea programs.

Italy has 49 institutions that confer a laurea. These comprise three types of institutions; universities proper (36), university institutes (11), and polytechnics (2). The university institutes and polytechnics differ from the universities proper in one regard only, the narrower and more specialized scope of their programs. Regulations concerning admissions requirements, examinations, grading, degree requirements, structure, faculty, and other aspects of institutional life are - with few exceptions - identical for all three categories of schools.

Of the 36 universities, 29 are State funded (statali) while 7 are private or "free" (libera) institutions. Four of the 11 university institutes are statali, as are both polytechnics. Because Ministry of Education control of university education is so complete, the only noteworthy difference between State and free universities is their source of funding, the latter receive few if any State funds.

The term "university" is used to indicate any institution that grants a laurea. In addition, however, the term is used to refer to highly regarded university-level institutions that do not confer a laurea.

The following remarks, except where otherwise noted, are equally valid for all Italian universities.

Admission. Since 1969 admission to Italian universities has been liberalized dramatically. It is generally considered that this liberalization has been responsible for the severe overcrowding that characterized many Italian universities during the 1970s. While it is true that the 1969 liberalization opened the doors of Italian universities to many students previously denied admission, the conclusion that "open admissions" has led to overcrowding that has, in its turn, caused a sharp decline in university education represents an oversimplification of a complex phenomenon.

First, it should be noted that the liberalization of university access actually began in the early 1960s when the number of faculties open to technical school graduates was increased. First year enrollment, in fact, increased from 54,198 in the academic year 1959-60 to 74,527 in 1963-64. During the same period the percentage of upper secondary school graduates applying for university study rose from 69% to 74%.

Second, although the 1969 liberalization increased university access, it stopped short of "open admissions". Since 1969 graduates of all five-year upper secondary schools have had direct access to all university faculties. Graduates of teacher training institutes and artistic lyceums must complete an

additional year of "integrating" courses if they wish to enter faculties other than those prior to 1969. Even after successful completion of these courses they are denied admission to the Paleohistory and Ancient History branches of the laurea program in History. Thus, the great majority of first year university students have had 13 years of prior education; those who have not have had 12 years.

Third, Italian universities continue to be internally selective. Financial difficulties and inappropriate choice of laurea program contribute to a first and second year dropout rate that averages 40% for the system as a whole and 55% in several instances. The majority of dropouts are generally of modest social background and, more particularly, are graduates of vocational and technical institutes. Moreover, statistics for both 1967-68 and 1973-74 show that nearly 80% of Italian university graduates continue to come from the upper classes of society. Another study of 1973-74 divides Italian universities into the following groups; children of workers (22.1%); children of self-employed (21.9%); children of white collar workers (40.7%); children of business men and professionals (10.2%). Finally, in spite of the dramatic increase in enrollment in the last 25 years, the number of students receiving degrees as a percentage of the total number of university students has not changed significantly.

Fourth, the problem of overcrowding, although widespread, is not universal. The degree of overcrowding varies from university to university and from faculty to faculty within the universities. In general, smaller universities and universities located in smaller towns tend to be less crowded than larger universities and universities in major urban centers (e.g. Milan, Florence, Bologna, and Naples). Finally, it should be noted that the last several years show a movement of students away from the more crowded universities as well as a decline in the rate of increase in first year enrollments, thus suggesting a natural and more desirable distribution of students throughout Italy's universities.

Calendar. The academic year begins 1 November and ends 31 October. Classes generally begin within the first ten days of November and conclude at the end of May. Recesses occur at Christmas and Easter. The exact dates vary from faculty to faculty.

No instruction takes place during the period June through October. Instead, the early part of the summer and the first days of autumn are generally set aside as examination periods. While the overwhelming majority of courses at Italian universities are

year long (annuale), many are organized on a two year basis (biennale) or three year (triennale) basis. A small number of courses, most often electives, are organized on a semester basis (semestrare). In such cases the faculty council must establish an equivalency in terms of the usual annuale course. Some faculties, such as the faculty of engineering at Bologna, divide courses into cycles of instruction. Such cycles should not be confused with American semesters, a concept alien to the Italian university system. Similarly, "semester" courses should not be arbitrarily equated as one-half of an annual course. Instead, they should be assigned whatever value they were granted by the faculty that offered them.

Matriculation and Maintenance of Matriculation. The only academic requirement for matriculation at an Italian university is a diploma from a four year or five year upper secondary school. Candidates for university admission are not required to take entrance examinations or any of the aptitude or screening tests familiar to American students.

As already noted, graduates of five year upper secondary schools (i.e. the classical, scientific, and linguistic lyceums, and the technical institutes) have had direct access to all university faculties since 1969. In addition graduates of the four year teacher training institutes and artistic lyceums have direct access to all faculties if they successfully complete one year of "intergrating" courses. Graduates of teacher training institutes who are completing or do not complete these courses still have direct access to the Faculties of Education and of Foreign Languages and Literature, and to the University of Oriental Studies at Naples. Graduates of artistic lyceums who are completing or who do not complete an integrative year still have direct access to university institutes and Faculties of Architecture.

Italian university students maintain matriculation by registering for courses each year at their faculty's Segretaria (the office that most closely resembles a Registrar's office). While Italian universities do not always enforce attendance policies, attendance is, in theory required. Faculties certify attendance by signing their names in student's libretti di iscrizione (note books in which students maintain a record of attendance, exams taken, and miscellaneous dealings with their faculty). In very large classes or overcrowded facilities or universities, attendance is presumed. Where attendance is certified by instructors' signatures, the signatures are confirmed at the faculty Segretaria, usually between 15 and 31 May.

Students who do not register for courses, who do not pass all the exams required for advancement to the next year or next

two year period of study of their program, or who have not received a laurea within in period prescribed for their program (i.e. within four, five or six years) are considered to be fuori corso or out of sequence. Fuori corso students have traditionally posed a problem for Italian universities. Although their number increased during the early and middle 1970s (from 20.3% of the student population in 1971-72 to 28.2% in 1976-77), it is interesting to note that they now represent a smaller percentage of total enrollments than they did before liberization of access in 1969. In fact, the fuori corso phenomenon reached its apogee in 1952-53 when out of sequence students represented 61% of the total university population.

Students who have not registered for all the courses required for their program, or who have not obtained instructor's signatures in courses with required attendance, or who have not registered for the required minimum number of courses for any given year of their program must register as repeaters for the courses in question in order to maintain matriculation.

Students who have not taken any examinations for eight years, even if properly registered as fuori corso students, become lapsed students with the exception of students who need only to take their laurea examination in order to complete their program requirements. Their transcripts bear a notation of their lapsed status. In addition, all work completed is voided. Lapsed students must begin over again as first year students should they wish to return to university studies. Because a student need only take one exam in eight years (or transfer to a different degree program within eight years), very few students enter lapsed status.

Students may voluntarily assume elapsed status at any time by formally requesting to renounce the right to apply work already completed to a degree program. Students would want to do this for one or two reasons; to free themselves of fees owed to the university or to obtain the release of their secondary school diploma, otherwise returned only to students who graduate. Like lapsed students, students who renounce their work completed may recommence their studies, but must do so as first year students.

Credits. The concept of credits is unknown in the Italian university system. The only method for determining success in studies is the year-end examination (discussed below). Because of this, there is no provision for recognizing partial completion of course requirements. A student may, in fact, faithfully attend classes all year and, having failed the year-end examination or having failed to appear for it, receive no official recognition for his or her work.

Examinations and Grading. The year-end examination that certifies successful completion of a course is called an esame di profitto (progress examination). Characteristic of Italian university life is the strict application procedure that governs admission to exam sessions. Students, even though properly enrolled in a course, do not merely present themselves for an examination.

Traditionally there have been two examination sessions, a summer session (usually the end of May or early June until early July) and an autumn session (usually late September until just before the start of classes). This tradition began to erode during World War II when a February session was added to serve students in the military. The February session has now become institutionalized. Still more sessions were added as the student population grew during the 1960s and 1970s. Most universities have two more appelli speciali (special appeal sessions); at some universities examination sessions are scheduled ten months of the year. Students may not take a given esame di profitto more than twice in the same academic year, nor may they repeat an exam that has already been passed. Similarly, students may not repeat a failed exam during any given exam session. Except for fuori corso students, there is a limit of two esami di profitto in all but the summer and autumn sessions.

Consistent with practice in the secondary schools, most esami di profitto are oral. Typically, three professors question a single student. Each professor assigns a grade ranging from 0 to 10, enters the grade in the student's record book, and confirms it with his signature. The three grades are combined, their total representing the final grade for the course. Since 6 is the first passing grade on a scale of 10, 18 is the lowest passing grade for the combined score. The esame di profitto always covers the entire syllabus of a course, even in cases where courses last two years or three years.

It should be noted that professors are free to employ unofficial examinations that serve as an entrance requirement to the esame di profitto. These exams may be either oral or written. In science and engineering faculties students are often asked to solve a problem or engage in a practical exercise in their discipline. In language courses students may be asked to translate, most often from a foreign language into Italian. Then unofficial exams are required, they are conducted by the instructor responsible for the course alone. No grade is assigned in these exams and students who pass merely receive approval to take the esame di profitto. If failed, the unofficial exam must be repeated until it is passed before the student may proceed to the esame di profitto. Unofficial exams may be scheduled at any time prior to the Profitto examination; they may even be

administered during the same official examination session. In two-year and three-year courses instructors are free to schedule exams at the end of each year.

In addition to profitto examinations and the unofficial tests that sometimes precede them, several faculties schedule other types of exams. These vary in nature and purpose, but typically serve as prerequisites to advancement in a given degree program. Several of the science programs, for example, require students to demonstrate a working knowledge of two modern foreign languages at the end of the year.

Each esame di profitto passed is listed on the student's transcripts with the passing grade received. Because these exams are important indicators of a student's achievement, the grades received in them should not be ignored or subordinated to the grade received in the laurea examination. Similarly, profitto grades should not be arbitrarily converted to American letter or numerical grades. The following conversion scale, based on discussions with MOE (Ministry of Education) officials, students, instructors, and others familiar with Italian university practices, is suggested.

<u>U.S. Letter</u> Grade	<u>Esame di Profitto</u> Grade	<u>U.S. Letter</u> Grade	<u>Esame di Profitto</u> Grade
A+ or honors work	30	C range	21, 22, 23
A range	27, 28, 29	Pass range	18, 19, 20
B range	24, 25, 26	F	0-17

Thesis and esame di laurea. All faculties require a thesis in all the degree programs they offer. The thesis is regarded as both the conclusion and the culmination of the student's university career. It is generally expected to be the result of original research and may be either theoretical or practical in nature. In certain faculties - engineering, for example - the thesis may take the form of a report or a project. Students generally choose the subject for their thesis and make official contact with their monitor (relatore) early in their third year of study. Often students work with a second monitor (corelatore) as well. The topic of the thesis must be approved and reported to the dean (Preside) of the student's faculty, at least six months before it is to be discussed at his esame di laurea (literally, "degree examination": in fact, a defence of the thesis). The final draft of the thesis itself must be submitted for review at least fifteen days prior to its discussion.

Most students work at least six months on their thesis; many devote a year to it. It is not unusual for a thesis to be 200 pages or more in length. Thesis written for a degree program in a foreign language may be written in that language.

The thesis is discussed at the esame di laurea for which students make a formal application. This exam, in theory open to the public, takes place before a committee composed of 11 faculty members presided over by a president. The president is often the dean of the student's faculty; he may never be the student's relatore.

The examination is usually opened by the relatore who introduces the thesis, discussing its merits and deficiencies. The corelatore then begins questioning the student. In theory all 11 committee members may question the student, but this does not usually occur. The discussion typically lasts from 30 to 45 minutes, but may last longer. When the topic of the thesis is a foreign language, the discussion is generally held in that language. When the committee finishes its questioning the student leaves the examination room and the president begins the discussion of the student's grade.

The base of the esame di laurea is arrived at in the following manner. First, the average of the student's various esame di laurea is computed. This figure (e.g., 24/30) is then divided by three and multiplied by 11. The result of these computations ($24 \div 3 = 8$; $8 \times 11 = 88$, in this example) becomes the base of the laurea grade. The committee members may lower or raise this grade as they deem appropriate after hearing the student's defense of his thesis. In fact, the base grade is seldom lowered; often, however, a faculty will have an unofficial number of points above which a grade may not be raised. The number of points awarded on the basis of the thesis and its discussion may be arrived at, then, by subtracting the base grade from the esame di laurea grade. Thus, a student whose base grade is 88 and whose laurea grade is 99 would have been awarded 11 points for the defence of the thesis.

Sixty-six is the minimum passing grade, 110, the maximum. Grades of 110 are rarely awarded. When awarded, they earn laude, and may even result in the publication of the thesis by the university press.

Some degree programs—physics and astronomy, for example may require one or more oral dissertations as well as a written thesis to be presented at the laurea examination.

Piano di studio. Each faculty has both required courses (insegnamenti fondamentali) and elective courses (insegnamenti complementari). The total number of courses in both categories required for admission to the esame di laurea (generally 19 or 20 in a four year program) is known as the piano di studio consigliato (recommended study plan). A greater number of courses

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is required in Italian universities than is the general rule in the United States. Moreover, most courses are required nationally while others are required only at a given university.

Since the academic year 1969-70, students have been permitted to draft a course of study that differs from the one prescribed by their faculty. Such an individualized course of study is called a piano di studio individuale or liberalizzato. All individualized courses of study plans must be approved by the university's Faculty Council. To gain approval the study plan must be limited to courses taught at the university, must contain at least as many courses as required by the recommended plan, and must be appropriate to the student's discipline. The Faculty Council can recommend modifications in a proposed individualized study plan. The student must then either accept the modifications or revert to the recommended plan. Students who transfer to other universities must submit their individualized study plans to the new university's Faculty Council. Although completed courses must be accepted, the remainder of the study plan is subject to modification.

Corso di laurea. As has been noted, the laurea is the only degree awarded by Italian universities. The number of areas in which a laurea may be conferred is, however, considerable. Each area in which a laurea is conferred is known as a corso di laurea. Most corsi di laurea require four years of study. Some - e.g., Chemistry, Industrial Chemistry, and Architecture - require five years. One alone, Medicine and Surgery, requires six years. Two programs, Forest Sciences and Geography, last only two years; each of these programs, however, requires two years of prescribed university study for admission, the first in Agrarian Sciences, the second in any of the following areas: Letters, the Natural Sciences, the Biological Sciences, the Geological Sciences, Political Science, or Economics and Commerce.

Many corsi di laurea divide into two year course of study or a three year course of study. Although Italian degree programs tend to be more flexible than American ones, some prerequisite courses do exist. Furthermore, the scientific programs tend to be very carefully structured, and additional requirements (e.g. seminars and language tests) can be found in many corsi di laurea.

Some corsi di laurea (e.g., Political Science) are offered by more than one faculty. In such cases there is usually considerable overlap in degree requirements. Differences occur mostly in elective courses and in the emphasis accorded by the respective faculty.

Many corsi offer specializations known as indirizzi. In some cases the laurea itself bears the name of the indirizzo as well as that of the corso.

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Classes generally meet 3-6 hours a week. Many courses have complementary seminars. These, generally led by assistant professors, meet as many as 4 hours a week. Although most classes are held during the day, professors may meet with students at their mutual convenience. A limited number of evening courses exists.

Corso di diploma. In addition to degree programs, three pre-laurea diploma programs exist. These are statistica (statistics), offered on several faculties; in farmacia (pharmacy), offered in the faculty of the same name; and in abilitazione alla vigilanza nelle scuole elementari (elementary school supervision), available in the Faculty of Education. The first program lasts two years; the other two are three years in length. Each diploma program is structured like a laurea program, is taught by the same faculty members as the corresponding laurea programs, and offers easy transfer to a laurea program. The only significant difference, in fact, is the length of study.

The Facolta'. The basic unit of the Italian university is the facolta'. In an academic context the word is always translated as "faculty" and signifies the teaching personnel of a university in general, the several groupings of teachers within a university, and the course (insegnamenti) and degree programs (corsi di laurea) offered by each grouping of teachers. Italian faculties bear only superficial resemblance to American academic departments. While American students must always take courses from more than one department to satisfy degree requirements, Italian students seldom need to do so. In fact, the only Italian students who may take courses outside of their faculty, with a few exceptions, are students whose individualized piano di studio permits them to. Furthermore, American departments do not always offer major courses of study that lead to a degree. Each Italian faculty offers at least one such program; most offer two or more. Finally while the length of time required for a given degree does not vary from department to department within an American institution, the number of years required for a laurea (Italy's only degree) may vary from faculty to faculty, as well as from corso di laurea to corso di laurea within faculties.

Although the number of different faculties is fixed (18 as of 1979), no one university offers all of them. Similarly, no one faculty offers all the corsi di laurea available throughout Italy in that faculty. Again, because an individual university faculty can add to the number of courses required by the national piano di studio for a particular corso di laurea, it is on the level of the faculty that diversity chiefly manifests itself. The number of elective courses available in a given faculty varies from university to university.

Following is a list of the 18 faculties available in Italian universities: Agraria (Agriculture), Architettura (Architecture), Chimica Industriale (Industrial Chemistry), Economia e Commercio (Economics and Commerce), Farmacia (Pharmacy), Giurisprudenza (Law), Ingegneria (Engineering), Lettera e Filosofia (Letters and Philosophy), Lingue e Lettere Straniere (Foreign Languages and Literature), Magistero (Education), Medicina e Chirurgia (Medicine and Surgery), Medicina Veterinaria (Veterinary Medicine), Scienza Economica e Bancarie (Banking and Economic Sciences), Scienze Economica e Sociali (Social and Economic Sciences), Scienza Matematica, Fisiche e Naturali (The Natural, Physical and Mathematical Sciences), Scienza Politica (Political Science), Scienza Statistiche, Demografiche ed Attuariali (The Actuarial, Demographic and Statistical Sciences), Sociologia (Sociology).

Although there are no graduate schools in the Italian university system, there are many opportunities for post-laurea studies, studies that continue for one to five years after the awarding of the laurea. These studies always take place in a scuola (school) or istituto (institute) attached to a university faculty. The pattern of studies resembles that for the laurea; required courses, often a number of elective courses as well, esami di profitto, a thesis, and a discussion of the thesis. At the completion of their studies students receive either a diploma or an attestato or certificato di frequenza (a certificate of attendance).

The two most common opportunities for post-laurea study are provided by the scuole di specializzazione and perfezionamento (specialization and advanced study schools.) Although the two terms are usually employed interchangeably, the scuole di specializzazione tend to be more practical and professional in their orientation. Thus, while both schools impart advanced research skills - employing university laboratories, seminars, hospitals, and even placement in State or industrial laboratories or agencies - the specialization schools give greater emphasis to the continued acquisition of knowledge in a particular discipline.

The course of study in both is of at least two years' duration. Three-year programs are less common, except in medicine and surgery where several four and five year programs exist as well.

Similar to the scuole are the corsi di specializzazione and perfezionamento. The chief differences between a scuola and a corso are that the latter is always a one year program and that it usually results in a certificato or attestato rather than a diploma.

Not to be confused with either of the above scuole and corsi programs are two one-year magistero programs offered at certain faculties of Economics and Commerce. While these also require a laurea for admission, they are teacher oriented rather than research oriented. Both programs include eight required courses. To be admitted to the diploma examination, students must have passed final examinations in all required courses and have demonstrated their teaching ability by means of a practical lesson. One program results in a diploma di magistero in economia e diritto (teaching diploma: economics and law), the other in a diploma di magistero in economia aziendale (teaching diploma: the economics of business).

The only officially recognized academic alternative to university study is provided by a higher institute of physical education (istituto superiore di educazione fisica or ISEF as it is commonly known). As of 1979, there were 11 such institutes in Italy, only one of which is State run (statale). Each of the ten others is officially recognized and approved by the State (pareggiato). Together they enrolled 10,622 students during the academic year 1977-78, down from 11,126 during the previous year.

The chief distinctions between Italy's universities and its ISEFs are the shorter programs (three years in all cases) and the more clearly professional nature of the latter. In all other respects the ISEF resembles a university or, more properly, a university institute.

As for universities, a diploma from a five-year upper secondary school or from a four-year teacher training institute is required for admission to an ISEF. In addition, however, ISEF candidates must take a series of entrance exams. These are medical, practical (consisting of physical exercises), and cultural (consisting of written exams). Further, only candidates under 26 years of age are considered. Finally, unlike the universities, the ISEFs employ numerus clausus, i.e., the number of students is set each year by the MPI.

The ISEFs offer two programs of study, scientific/cultural and technical/practical. Each lasts three years. The required study plan for each is fixed for all students. As in the universities, there are year-end examinations, here called esami di sbarramento (literally, "barrier exam"). These exams are graded on a 0-30 scale with 18 the first passing grade. Also as in the universities, a thesis is required. To this the ISEFs add two shorter essays. Before the diploma di educazione fisica is awarded, an esame di diploma must be passed. AS with the esame di laurea, 66 is the first passing grade on a scale that ranges from 0 to 110.

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A diploma from an ISEF is the minimum requirement for teaching its technical/practical courses. Teachers of scientific and cultural courses generally have qualifications comparable to those of university professors. Several proposals have been made for lengthening the ISEF program by one year. It is possible that the ISEFs will become four year programs that culminate in a laurea, but they will not lose their autonomy entirely. Their structure after the reformation of higher education will possibly resemble that of a university insitute.

The term "special aim" schools (scuola dirette a fini speciali) is broadly generic, encompassing a wide range of programs. The subject matter of the programs, even the entrance requirements, often have little in commom. the characteristics are that the special aim schools share the following: a connection with a university faculty; a program that lasts fewer than four years; and a practical, career-related orientation. Nonetheless, the diversity, the specificity, and the clearly under-graduate nature of the programs, require that a sharp distinction be made between the special aim programs and the other diploma programs described above.

Four of the 69 schools have as their only academic admission requirement, a middle school diploma. Seven require either a laurea or two years of university work. The remainder require a diploma from an upper secondary school of at least four-years' duration. However, because admission to special aim schools is restricted, most also employ entrance exams.

There is some disagreement among Italians regarding the level of training of graduates of special aim schools. In general, those who describe the training as postsecondary but non-university do so because most of the schools do not require a diploma from a five-year upper secondary school for admission, because of the applied nature of most of the programs, and because the schools have traditionally evolved in response to the practical needs of society and industry. However, courses taken at a special aim school can be recognized as degree courses by a faculty, and simultaneous enrollment in a corso di laurea and a special aim school is not permitted. In fact, many of the courses are taught by university faculty, by doctors, or by others who possess the same academic qualifications as university professors.

COOPERATIVE AGREEMENT SCHEDULE

- I. Authority, Purpose and Program Description
- II. Funds Obligated, Payment, Estimated Cost and Cost Sharing
- III. Substantial Involvement Understandings (This article should include an explicit statement of the nature, character, and extent of anticipated Federal involvement.)
- IV. Period of Agreement
- V. Reports and Evaluation
- VI. Negotiated Overhead Rates (if applicable)
- VII. Financial Plan
- VIII. Special Provisions
- IX. Standard Provisions

ANNEX K

State Universities in Southern Italy - Number of University
Research Workers by Development Related Faculty

<u>University of NAPLES</u>	
School of Agriculture	29
Economics	44
Engineering	124
Mathematical, Physical and Natural Sciences	167
Architecture	104
Medicine (1)*	253
Medicine (2)	421
Pharmacy	17
Veterinary Sciences	16
	<u>117</u>
 <u>University of SALERNO</u>	
Economics	12
Engineering	20
Mathematical, Physical and Natrural Sciences	27
	<u>59</u>
 <u>University of BARI</u>	
School of Agriculture	46
Pharmacy	14
Economics	26
Engineering	58
Medicine	65
Mathematical, Physical and Natural	96
Veterinary Science	10
	<u>315</u>
 <u>University of LECCE</u>	
Mathematical, Physical and Natural Sciences	25
 <u>University of CALABRIA</u>	
Engineering	22
Economics and Social Sciences	17
Mathematical, Physical and Natural Sciences	32
	<u>71</u>
 <u>University of BASILICATA</u>	
Engineering	30
Mathematical, Physical and Natural Sciences	30
	<u>60</u>
 <u>Universiry of REGGIO CALABRIA</u>	
Architecture	33
School of Agriculture	30
Engineering	30
Medicine	30
	<u>123</u>
 <u>Oriental University NAPLES</u>	
Linguistics (English) and Economics	104
TOTAL	1,932

*there are two faculties of medicine in Naples

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UNIVERSITIESStudent Enrollment (205,300)

Source: Direct Information PAO Office, Naples

SOUTHERN ITALY UNIVERSITIES

Naples	University of Naples	109,000
	Naval University Institute	1,400
	Oriental Institute	7,800
	"Magistero" (teachers College)	3,300
	total	<u>121,500</u>
Salerno	18,100	
Bari	46,900	
Lecce	6,400	
Cosenza	5,500	
Reggio Calabria	6,000	
Potenza	900	
	<u>83,800</u>	

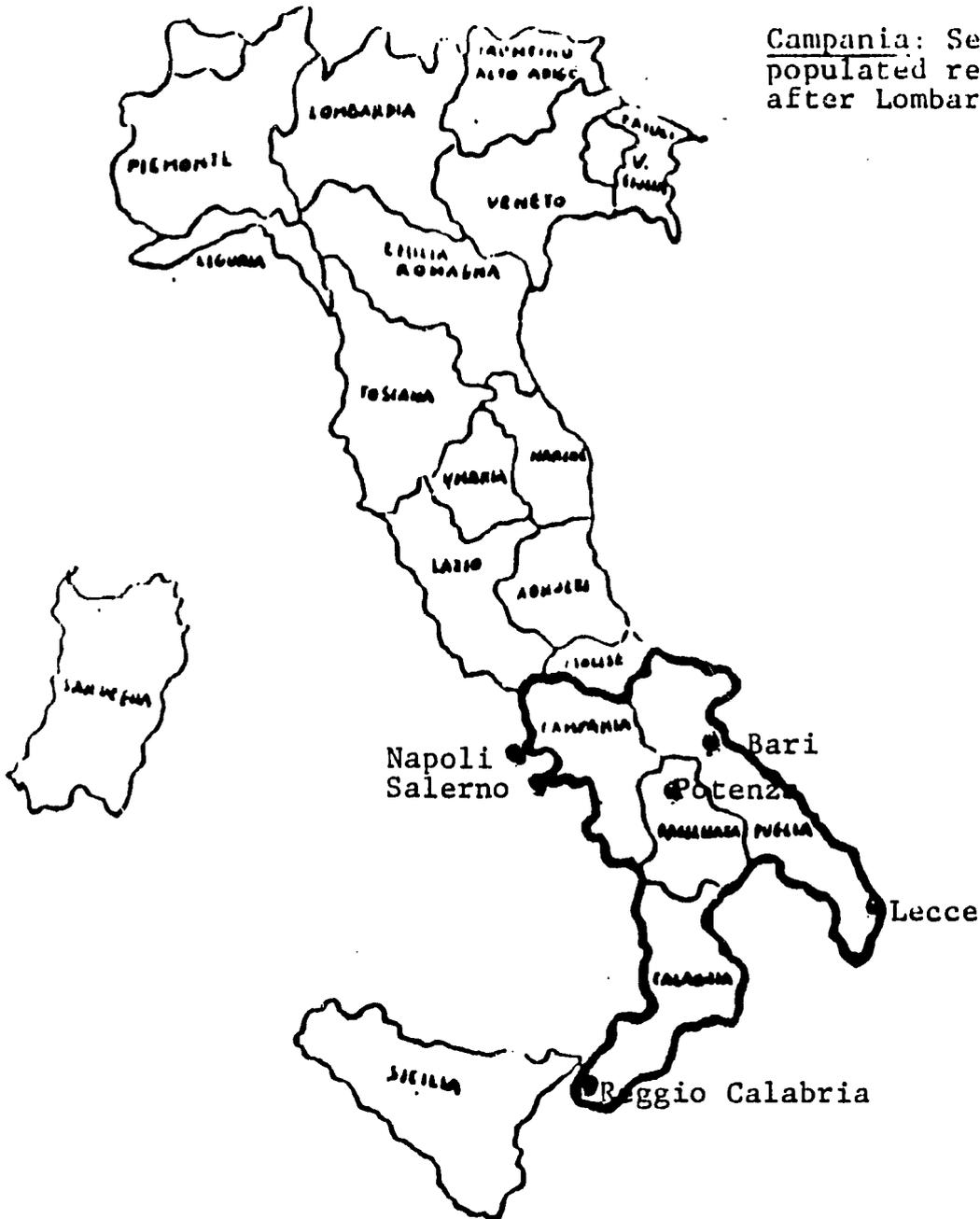
Comparison of Major Universities

Rome	130,000
<u>Naples</u>	109,000
Milan	90,000
Bologna	55,000
<u>Bari</u>	47,000
Turin	42,000
Florence	32,000

ANNEX I.

Puglia	5,408,000
Calabria	3,872,000
Basilicata	2,061,000

Campania: Second most populated region of Italy, after Lombardia



CAMPANIA: University of Naples; University of Salerno
 BASILICATA: University of Potenza
 PUGLIA: University of Bari; University of Lecce
 CALABRIA; University of Reggio Calabria

ANNEX M

List of Contacts

Kurt Teil	AID Program Officer
Richard Dangler	AID Representative Naples
Michael Houlahan	PAO, USIS, Naples
Walter John Silva	Consul General, Naples
Michael Karris	Director of Courses American Studies Center
Joan Cocchiglia	Exec. Dir. of Naples Am. Studies Center
Paula Sciscirot	Teacher of English, Naples
Alan Dodds	Cultural Attache' American Embassy Rome
Cipriana Scelba	Exec. Dir., Fullbright Commision
Ilaria Kreisher	USIA
Susan Modi	USIA Italian Desk Officer
	Science & Tec. Attache', Italian Embassy
Dr. Sergio Zoppi	FORMEZ president
Dr. Paolo Nazzi	Asst. to the President, FORMEZ
Dr. Iulio Centemene	Dir. of Scientific Research Projects for the South FORMEZ
	Director, FORMEZ
Dr. Alberto De Maio	Assit to Dr I. Centemene
Dr. Francesco Boffi	Responsible for Office for Small and Medium Businesses in the South, FORMEZ
Dr. Mario Colavitti	Economic Officer, US Embassy, Rome
	Save the Children Rep. Naples
Douglas Hengel	Director of National Committee for Aguarian Science, National Research Council
John Salamak	Dep. Dir. Gen. for University Education, Ministry of Public Instuction
Prof. Tommaso Scerascia	Dir. for Scholarships, Min of Public Education
Mugnazza	Deputy Director General for Cultural, Scientific and Technological Cooperation, Ministry of Foreign Offices
Dr. Amedeo Lauria	Director of Finance
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Dr. SSA Cammmarano	Official of Campania Regional Offices for Public Education.
Pellegrini	Official of Campania Regional Council, Basilicata
Minister Antonio Mancini	Dean, Orientale University of Naples
	Dean, Magistero University, Naples
A. D'Addano	
	Vice Rector, University of Salerno
Dr. Giovanni Vincenti	Rector, State University of Naples
	Dean, University of Basilicata
Dr. Nicola Vincenti	Dean, University of Bari
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Buonocore	
Prof. Carlo Ciliberti	
Prof. Fonseca	
Prof. Luigi Ambrosi	
Prof. Donato Valli	

ANNEX N

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AUTHOR

- | | |
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ANNEX O

FORMEZ

This annex details a training program being established by the "Cassa per il Mezzogiorno", which is a part of the national Ministry for the development of southern Italy. FORMEZ is a group within the "cassa" in charge of research and training to assist development in southern Italy.

F O R M E Z

STUDIES AND TRAINING CENTER FOR THE "MEZZOGIORNO"

Public Examinations for 70 Scholarships for Specialization and Research Abroad Reserved to Southern Italian Scholars

1. Formez, within the frame of the Integrated Project for Support and Development of the southern University System, and the initiatives aimed at favoring a better insertion of Mezzogiorno research institutions in international scientific institutions, advertises a public examination for 70 scholarships for southern Italian scholars interested in doing a research project or a specialization course abroad.

The scholarships will last for not longer than a year and not less than six months, and will be awarded to the research projects which are considered to be in "priority areas" as identified in Attachment "A"

2. - Italian citizens, who belong to the lecturing staff of the universities and research workers, can apply for scholarship, and also the scientific technical staff of public research institutions located in the territory which constitutes the area for the Cassa del Mezzogiorno intervention (of which art 1 of the D.P.R. 06.03.1978, no 218 and successive modifications and integrations) and also scientific-technical personnel of Centers and Unions which are considered in the programs of the Special Scientific Research Applied to the Mezzogiorno.

3. - The scholarships involve residence abroad for the established period and will be furnished with the following monthly sums:

3,500 dollars for Japan
3,000 dollars for the United States and Canada
2,500 dollars for all other countries

Also travelling expenses (tourist class air flights) will be reimbursed and eventual university taxes where they are adequately documented.

No age limit is imposed for participation in the scholarship examination. A good knowledge of English is necessary or another language which is accepted by the host institute.

4. - The applications for admission to the examination must be presented directly to FORMEZ, Segretaria Concorso Borsa PROS, Via Salaria 229,00199 within and not after the 15th September 1984.

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For the date of arrival only the FORMEZ date-stamp, which will be put on the application on the day of its arrival, will be valid.

The application must be made up of the following documentation:

- a) Application Form (attachment "A" of the present scholarship examination) opportunely compiled in every part;
 - b) 10 copies of the "curriculum vitae" of the candidate;
 - c) 3 letters of recommendation given by persons qualified to express a valuation of the professional profile of the candidate and his suitability to perform the research project proposed or to follow the specialization course chosen.
 - d) a document certifying the knowledge of the English language or other languages accepted by the host institution. FORMEZ reserves the right to ascertain, after the awarding of scholarships, the level of knowledge of the language declared by the candidate in the application for admission.
5. - The awarding of scholarships to the winners will be based on the uncontestable judgement of the FORMEZ, the grading of the candidates admitted to the awarding of the scholarships as laid out by a specific selection committee, and will be communicated to those involved within November 1, 1984.

6. - The winners of the scholarships must send to FORMEZ within thirty (30) days after receiving the communication of award, with expiry date, the following documentation:

- 1) a certificate confirming the work relationship of which 2.;
- 2) a declaration undertaking not to use any other scholarship for the period of use of the scholarship referred by this notice.

The winners must also speedily communicate the effective beginning date and the duration of the specialization course or the activity of the proposed research; a bimonthly report illustrating the progress of the studies or the research activities.

7. - Within three months of the notification of award of the scholarship, the winners must send to FORMEZ documentation proving the enrollment to the specialization course or the acceptance, by the foreign institution, of the winner and his research project.

8. - The scholarship will be paid in bimonthly installments, payable in the country selected for the period of specialization or research. FORMEZ reserves the right to interrupt the payments:

- a) in any moment that the scholarship holder interrupts, even temporarily, without justifiable motives, his/her presence at the specialization or research course at the foreign institute chosen;
- b) in the case of lack of above described bimonthly report regarding research or study progress;
- c) if the bimonthly report or the information received demonstrates that the objectives of the scholarship cannot be reached in the terms of the foreseen use and application.

The President
Sergio Zoppi

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ATTACHMENT A

PRIORITY AREAS FOR RESEARCH PROJECTS1. Improvements in well-watered agriculture

- A) Productive channeling and water transformation in the Mezzogiorno, in economically concrete perspectives and of the market.
- B) Watering uses of salty water, problems of salting in the hydric and ground resources.

2. Marine Biology and Alimentary Production

- A1) Oceanography Physics - General circulation in the Mediterranean and local problems connected to this circulation ("Open Boundary Approach").
- A2) Meteorological and climatological - Classification of the Mediterranean climates with the general atmospheric circulation and its regional dependency and the effects of heat, orographic (description of mountains) effects, effects of "Boundary" with Africa.
- B1) Biological marine resources and their optimal exploitation between fish and seaculture. Base programs, data banks, observatories.
- B2) The optimal running of the lagoon environments between conservation and exploitation.
- B3) The problems of arid and semi-arid zones regarding the primary productivity.

3. The southern society, under the below cited triple economic effect, in the form of installations and territory stabilizing and, lastly, of the institutional organization and its history.

- A) Economy
Models of analysis and instruments for the territorial assestment.
- B) Social and territorial analysis
 - a) relations between the productive system and the territorial assestment.
 - b) prevention and intervention in risk areas.

- C) History
 - a) "Mezzogiorno" and agriculture
 - b) "Mezzogiorno" and emigration
 - c) Power and the State in "Mezzogiorno"
 - d) Research on "southernness".

4) Physical phenomenon and civil defense

- A1) Vulcanology - Modelling of the rise of the magma and rheology of the lava.
- A2) Seismology - geodetic precursors and earthquake geographics. Execution of and organization of local networks and their integration in the general net-work.
- B1) Civil defence - Models of simulation of natural disasters in territorial situations of high risk (catastrophies like: volcanic eruptions, drought, floods, landslides, etc.) Indications for the phases of prevention of intervention.

- B2) Civil protection - The security of the city in its physical, functional, social and environmental aspects. The co-existence of the past with the present and the future.

5) Information Systems and Telecommunications

- A) Communication systems and networks
- B) Data banks distribution, formative systems
- C) Informatics in the production: CAD, CAM, FMS; office automation
- D) "Open teaching" (U.K. meaning) i.e. correspondence and T.V. courses
- E) Videotex, teletex.

6) Epidemiology and engineering in the sanitary system

- A) Genetic and biotechnological engineering (for the biological part)
- B) Thalassemia (mediteranean anaemia) for the medical part

7) Public Management

- A) Territorial administration of public politics
- B) Programming and administration of public systems of the social services.
- C) Management of firms in the southern context
- D) systems of recruiting and human resource training

ATTACHMENT B

F O R M E Z

Center of Education and Studies for Southern Italy

International Fellowship Programme 1984

The FORMEZ is pleased to announce a competition for 30 fellowships to researchers and professionals holding positions in non-italian research or teaching institutions, interested in carrying out research projects in Southern Italian Research Institutes.

Purpose

The purpose of the Formez fellowship programme is to further new scientific relations between Southern Italian Universities and Research Centers and other International Scientific Institutions, with their mutual cooperation and exchange. To this end, the FORMEZ will award 30 grants to enable researchers and professionals to conduct their proposed research projects for a period not to exceed one year and not less than two months. These projects must be defined within six "priority areas" as detailed in "Annex A".

2. Deadline

Individual applications should be submitted within the deadline date of October the 1st, 1984 and the winners of the competition will be notified within April 15th, 1985

3. Eligibility requirements

Applicants should have: a) Ph. D. or equivalent research experience; or b) doctoral candidature at the time of the application or comparable professional qualification. They may come from any academic field or profession linked with the listed priority areas, with no age limits. Working language will be English or any other language accepted by the host institution.

4. Selection criteria and process

Applications will be examined by a Formez commission, paying particular attention to the academic and professional standing of the applicant and to the quality of the proposed project. Formez will submit the project to Southern Research Institutions, whose acceptance of the mentioned project will be the basic requisite for the final choice. This step will offer opportunities of contacts to those applicants without any previous connection with the Southern Research Institutions.

5. Award Benefits

Awards will include a monthly maintenance allowance of 3500 US \$ plus other possible compensation up to the monthly salary (before taxes) normally received by the grantees in their home countries (fringe benefits included) and deducting grants or salaries currently received from other deducting grants or salaries currently received from other sources. A transportation allowance will be provided covering the round trip travel expenses (economic class full air fare). The winners will receive in advance, at the moment of their arrival in Italy, the equivalent of two monthly salaries.

6. Application materials

The applicant should send the following materials:

- 1) Application pages (attached)
- 2) Curriculum vitae (not to exceed 5 pages), in 10 copies, required even though much of the same information is included in the application form;
- 3) Four references, from persons who are qualified to evaluate the professional work and the proposed activity. Applicants must send the reference letters together with the application form.

AGENCY FOR INTERNATIONAL DEVELOPMENT

ACTIVITY DATA SHEET

CP 81-06 (8-78)

PROGRAM: Italy

TITLE 145-8401 Southern Italy Fellowship Program		FUNDING SOURCE Economic Support Funds	PROPOSED OBLIGATION (In thousands of dollars)		LIFE OF PROJECT (Auth.)
			FY 84	1,500	1,500
NUMBER	NEW <input checked="" type="checkbox"/>	PRIOR REFERENCE	INITIAL OBLIGATION	ESTIMATED FINAL OBLIGATION	ESTIMATED COMPLETION DATE
GRANT <input checked="" type="checkbox"/> LOAN <input type="checkbox"/>	CONTINUING <input type="checkbox"/>	None	FY 84	FY 84	FY 87

Purpose: To increase the number of southern Italians trained in the United States at the graduate level in fields related to economic and social development.

Background: This project complements A.I.D.'s Southern Italy Earthquake Relief and Reconstruction Program. The U.S. Congress has appropriated \$80 million in disaster relief funds for school reconstruction and private and voluntary organization (PVO) programs from 1981 through 1984.

Italy "graduated" from the post World War II U.S. Marshall Plan in the late 1940's and would not normally be considered for A.I.D. developmental assistance. A.I.D.'s presence in Southern Italy is a result of the devastating 1980 earthquake, which exacerbated conditions in an already economically depressed area. U.S. resources for school reconstruction and PVO activities have helped to rebuild the physical infrastructure of the earthquake area.

A fellowship program for Italy will provide an opportunity to strengthen Italo-American ties in the region and improve Italy's human resource base in developmental areas.

Project Description: The Southern Italy Fellowship Program will provide funds for southern Italian university researchers to conduct one year of post graduate research in the United States. All research/study programs will relate directly to priority economic and social developmental sectors in Southern Italy. The researchers will become acquainted with American technology, and linkages and connections will be established which are expected to last throughout their professional careers.

Participants in the fellowship program will be screened and selected by the Italy Fulbright Commission, and placement in U.S. research institutions and universities will be through a competitively selected U.S. contractor.

Relationship of Project to A.I.D. Country Strategy: This project complements A.I.D.'s Southern Italy Earthquake Relief and Reconstruction Program and will serve to strengthen Italo-American ties.

Beneficiaries: The immediate beneficiaries of this project will be the estimated 35 university researchers conducting research/study programs in the U.S. These research fellows will conduct research in high quality U.S. educational and research institutions on topics that are relevant to the economic and social development of southern Italy. As the university researchers move into teaching positions in the Italian university system, an increasing number of people will be exposed to the benefits of their research in the U.S.

Host Country and Other Donors: The Government of Italy will continue to pay the salaries of the participants. Participants will be responsible for their own international air transportation.

Major Outputs	<u>All years</u>
Post Graduate Research/Study programs in the U.S. completed	35

A.I.D.-Financed Inputs	<u>(\$ Thousands)</u>
	<u>Life of Project</u>
Project Administration	482
Training	875
Contingency (including inflation)	143
	<u>1,500</u>

U.S. FINANCING (in thousands of dollars)				PRINCIPAL CONTRACTORS OR AGENCIES
	Obligations	Expenditures	Unliquidated	
Through September 30 1982	- 0 -	- 0 -	- 0 -	To be selected.
Estimated Fiscal Year 1983	- 0 -	- 0 -		
Estimated Through September 30 1983	- 0 -	- 0 -	- 0 -	
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1984	1,500	- 0 -	1,500	

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Annex R

AGENCY FOR INTERNATIONAL DEVELOPMENT
ADVICE OF PROGRAM CHANGE

Country: Italy
Project Title: Southern Italy Fellowship Program
Project Number: 145-8401
FY 1984 CP: None
Appropriation Category: Economic Support Fund
Life-of-Project Funding: \$1,500,000 (Grant)
Intended FY 1984 Obligation: \$1,500,000 (Grant)

This is to advise that A.I.D. intends to obligate \$1,500,000 for the Southern Italy Fellowship Program in FY 1984. This is a new project and was not included in the FY 1984 Congressional Presentation.

The project will fund fellowships for post graduate research/study programs for southern Italians to U.S. universities and research facilities. The project was formulated in response to Congressional earmarking of funds for southern Italy.

Funds for FY 1984 are being provided from deobligated Syrian program funds. \$1,500,000 of these deobligated funds will be reobligated for the Southern Italy Fellowship Program.

Attachment: Activity Data Sheet

TITLE I

Chapter V

UNIVERSITY RESEARCHERS

Article 30

The allotment given to researchers within the university system consists of 16,000 places, of which 4,000 are granted for free scholarships. Of this latter number, 2,000 will be offered during the academic year 1980-81; the remaining 2,000 will be offered within the academic years 1981-82 and 1982-83.

The places destined for free scholarships are divided among the faculties of the various universities following the planning criteria which take into account the functional necessities of the degree courses of the actual faculties, as well as the places awarded based on suitability criteria where required. The division is made via a Decree made by the Minister for Education, after hearing the national university council.

During the first selection phase, whilst dividing the research places to be used for free scholarships by faculty and by area of study, account will be taken of the people belonging to the category under Art 58 for whom the faculties certify the continuation of research activity, and who do not have the right to be considered, due to seniority, under the suitability criteria.

Article 31

Confirmation of University Researchers

Three years after beginning their course of study, university researchers will be examined for confirmation of their posts by a national commission. This will be composed, for each area of study, by three full-time professors, two of which will be ordinary and one associate, who will be drawn from three times that number of professors chosen by the national university Council from among the professors in that area of study.

The commission will evaluate the integral scientific and didactic activity being undertaken by the researcher during the three years as well as a detailed report prepared by the faculty of department Council.

If a favorable judgement is reached, the researcher is included within that number of confirmed researchers who are included within

the figure mentioned in the preceding article 30. If judgement is not favorable, a further one-time examination is allowed after two more years. If this second judgement is unfavorable, the researcher is no longer allowed to continue his studies.

Those who do not pass this second examination of confirmation can avail themselves, by request, of the right to move into another faculty or area of study in accordance with the subsequent article 120.

Article 32

Duties of University Researchers

University researchers contribute to the development of the university scientific research and also fulfill teaching duties within the official courses. Included in these duties are assistance and collaboration with students preparing their theses and participation in experimenting with new teaching methods and related tutorial activities.

The reconfirmed researchers have direct access to funds for scientific research both at a national and local level. They perform scientific research on subjects of their own choosing and can also participate in research programs being carried out within the universities in which they are located. As well as the above mentioned teaching, they may also run series of internal lessons within the ambit of the current courses as well as seminars, following outlines defined by the Council of degree courses and in agreement with the professors who are responsible for such courses. They may also participate on commissions for progress examinations as subject cultivators.

The council of the faculty for which the researcher works, decides each academic year both the scientific and didactic frameworks within which the researcher will work.

With regard the teaching responsibilities, the researcher is not expected to perform more than 250 hours per year which the researcher himself records in a register. The researcher is also expected to become involved in extra-curriculum activities for resident students if the university runs residency quarters.

The framework for the teaching is defined by the Degree Course Council after discussion with the researcher, while that of the scientific research and access to funds is defined by the Department or by the Institute Council where the researcher works.

Article 33

Periodic Verification of the Diadactic and Scientific Activity of the Researcher

The confirmed researcher is expected to present a report every three years to the faculty Council detailing the integral scientific and diadactic work performed. The faculty Council will form its judgement based on the views expressed by the Degree Course Council for the diadactic activity and those expressed by the department or the councils of the institutes where the researcher has worked regarding his scientific activity.

The confirmed researcher may continue to have direct access to funds for research depending on the presentation of scientific results, both original and documented, which may be consulted at the institute or in the department where he works.

Article 34

Regulation of the Legal Status of University Researchers

Until provision is not made available under the last comma of Article 7 of the 21 February 1980 law No. 28, the legal status of the university researchers is regulated, for any matters that may not be covered by this present decree, by the rules related to the legal status of full-time university assistants.

In the case of incompatibility or overload of duties the rules to be applied are those of the first part, Title V, of the only text of the disposition regarding the statute of civil servants, approved by the President of the Republic on 10 January 1957 with decree No. 3, except for those matters regulated by the preceding Article 32.

For ulterior cases of incompatibility not foreseen by the preceding paragraph, but covered by the aforementioned Article 13, the university researchers are suspended with the same regulations as those established for full-time professors.

The same rules foreseen for full-time assistants will be applied for the transfer of university researchers, except during the first two years when the nulla osta of the faculty must be obtained for the transfer of the full-time position in accordance with law No. 34 of 12 February 1977, after obtaining favorable judgement from the national university Council.

Those places assigned to free scholarship may only be destined for transfer if they are made available once the relative competitive procedure has been fulfilled.

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In the case of transfer from one State or public Administration to another the preceding article 14 will be applied.

The confirmed researchers will remain in place until the age of 65. They are allowed to retire at the beginning of the academic year following their 65th birthday.

The provisions relative to the legal status and to wage scales of university researchers are adopted by a decree issued by the University Vice-Chancellor.

Article 38

Economic Progress of Research Staff

The economic progress of confirmed university researchers is developed in seven two-yearly classes of wages, each one equal to 8% of the initial parameter 330 and then in subsequential two-yearly steps of 2.50%, calculated on the final class. Each parametrical point corresponds to Lire 18,000 gross annual.

At the moment of taking up post and until he receives favorable judgement to be confirmed in post, the university researcher receives a wage corresponding to parameter 300 with two-yearly increments of 2.50% which is calculated on said parameter.

All those who surpass the first suitability examination are then included on the university researcher scale starting from the effective date of this decree and from the effective employment date on a pari basis.

To those members of staff already receiving a wage above that of the first class of researchers, two-yearly steps of 2.50% are offered which are calculated on the same scale that they already receive to ensure that they enjoy a wage equal to or on the next step above that which they already receive.

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TITLE II

CHAPTER 3

RECRUITMENT OF UNIVERSITY RESEARCHERS

Article 54

Access to Full-time University Researcher Positions

Access to full-time university researcher positions is offered via decentralized scholarships which are advertised at the various universities by the Vice-Chancellors for the various areas of study determined by the decisions of the national university Council.

The examination consists of two written tests, one of which can eventually be replaced by a practical test and an oral test intended to ascertain the applicant's aptitude for research, with particular reference to the disciplines of the group in which the candidate wishes to specialize. It is also based on an eventual appraisal of scientific reports presented by the candidate or on the evaluation of his diadactic experience.

For single groups the national university Council will also decide the relative programs of the two written tests and the oral test and also the division of the points scale to be used by the commission to evaluate the two written tests, the oral test and scientific and diadactic experience; 50% of the points will be reserved for the written and oral tests and 30% for scientific experience.

TITLE III

SCIENTIFIC RESEARCH

Chapter I

Scientific Research in the Universities
and its Coordination

Article 63

Scientific Research in the Universities

The University is the primary location for scientific research.

The Minister for Public Education together with the Minister responsible for the coordination of scientific research and technology will promote the necessary links between the university and public research agencies, including the national Council for research.

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In order to avoid any superfluous duplication and overlapping of structures and finances the national research Register has been established.

Article 65

Division of Funds for Research

Sixty per cent of the annual budget appropriation for university research, as of 1 January 1981, is divided by the various universities via a decree of the Minister for Public Education, after discussion with the national university Council; the remaining 40% is assigned to research projects of national interest and projects of relevant interest to scientific development, via a decree of the Minister of Public Education and following the proposal of the consultant committees constituted by the national university Council, which has the responsibility to evaluate the research projects presented by groups of professors and researchers or by institutes or university departments.

To enable the national university Council to determine the objective criteria for the division of the funds between the universities, these groups should send illustrated reports by 31 October of each academic year detailing the activities already completed and those they intend to program for the coming academic year.

The amount assigned to each university is decided after much deliberation by the administrative council and after hearing the academic senate which, availing itself of the scientific commissions which are elected by the member-professors of the faculty councils and which contain a percentage of university researchers, evaluates the requests for funds presented by single persons or groups of professors and researchers from institutes or university departments. The amount assigned to projects of national interest and of relevant interest to scientific development is subdivided between the various disciplines by the consultant committees and with the approval of the national university Council.

For the distribution of the funds assigned to the research projects in accordance with the preceding paragraph, the Minister for Public Education has stipulated specific agreements with the universities.

Article 66

Research and Consultant Contracts and Research Agreements for Third Parties

Universities may, as long as it does not interfere with their teaching functions, perform research and consultative activities by means of contracts and conventions with public and private agencies. The performance of such contracts will normally be carried out by the departments, or the institutions or the universities, or by individual full-time professors.

Any revenue forthcoming from such contracts and conventions as mentioned in the previous paragraph will be shared out in accordance with a rule approved by the administrative council of the university, based on a pre-established scale, proposed by the national university Council, issued by the Minister for Education.

The full and part-time university staff who collaborate on such contracts can be recompensed up to an amount per year which does not exceed 30% of their total annual salary. Any money paid to such staff, however, may not exceed 50% of the total revenue of such contracts.

The rule mentioned in the second paragraph above determines the amount to be destined for general university expenses and the criteria to be used for deciding the amount to be paid to staff as mentioned in the third paragraph above. Any remaining revenue is to be destined for the acquisition of educational and scientific equipment and for the working expenses of the departments, institutions or clinics which performed the contracts or conventions.

Before any of the above payments or deductions are made from revenues forthcoming from such contracts and conventions, any expenses sustained by the university in ensuring that such contracts are properly performed shall be deducted.

Revenue forthcoming from such contracts as mentioned above will form an integral part of the University budget.

ARTICLE 67

Composition of the Consultative Committees of the National University Council

The National University Council has established consultative committees that will examine and review research projects of national interest and of relevant interest to scientific development. Not later than 31 December 1981 the Minister for

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Education will decide and issue a decree, based on the conformed opinion of the national university Council, giving the number of committees, which will in any case not exceed fifteen, and under which will be grouped in large homogenous areas of subject material the various disciplines.

A researcher chosen by the national University Council will take part on each committee.

Each committee will be composed of a full-time professor chosen by the national University Council who will act as chairman and of a further 10 professors elected by teachers from the corresponding discipline groups.

The regulations by which these elections are made are determined by the decree mentioned in the first paragraph above.

CHAPTER III

SCHOLARSHIPS

Article 75

Scholarships for Research Fellowships and for Specialization Courses

By 15 January each year the Minister of Education announces a competition for scholarships for specialized courses at Italian and Foreign universities for meritorious Italian students who do not receive an annual revenue of more than 8 million lire.

With a new decree, the Minister can modify the limit of this revenue every other year to bring it in line with cost of living increases.

The Minister of Education, after hearing the national university Council, in agreement with the Minister of the Treasury and the Minister responsible for coordination of scientific and technological research and taking into account the budget available, annually decrees the number, the amount of money - not less than 6 million lire gross per year - and the division of the scholarships between the universities, and also the eventual re-evaluation of scholarships of one than one year already awarded.

The administrative council of each university, in agreement with the academic senate, and using the general criteria laid down by the Minister in the same decree as mentioned in the previous paragraph, proposes the division of the scholarships assigned to the university among the various disciplines that exist within the university within thirty days of the effective date of the same decree.

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The Minister for Education, having evaluated the universities' proposals, then advertises the competition mentioned in the first paragraph above, indicating the number of scholarships available for each university and for each discipline.

All those who admitted to the Ph.D. research courses in accordance with the first paragraph of Article 68 and the second paragraph of Article 70, have the right to apply for a scholarship as long as they comply with the revenue conditions which are mentioned in the first paragraph of this Article.

Article 76
The Development of the Competition
for the Award of Scholarships

The competition for The award of scholarships is offered on a national basis for each discipline or area of specialization.

Applications for the competition should be submitted to the Minister for Education within sixty days of the date of advertising the above mentioned competition in the Gazzetta Ufficiale of the Republic of Italy.

Italian citizens holding degrees who are frequenting schools of specialization may submit applications if they participate a salary as mentioned in the first paragraph of the previous Article 75.

The candidate must indicate in the application that he/she is applying for the scholarship which has been made available to the school in which he is registered.

Entrance to the competition is based on education certificates and exams.

The commissions are composed of three professors, two of which are full-time and one associate; this latter may be substituted by a professor chosen from a group of professors from the discipline in which the applicants are applying.

The exam consists of a written paper and an oral test to ascertain the existence of the level of preparation necessary to frequent the course.

The commission attributes a score for each of the following items:

- a) examination
- b) degree results and results of progress exams
- c) publications
- d) other titles

1-0

By 15 May the commissions prepare a scaled result sheet based on the total marks received by each candidate.

The scholarships are awarded based on the order of the results and until all the scholarships available have been designated.

Article 77

Development of the Competition for the Award of Scholarships to be granted for Overseas Study

The competition for the award of scholarships to be used overseas is advertized nationwide and based on disciplines to be decided by the Minister for Education with the decree mentioned in the third paragraph of the previous Article 75 and in agreement with the national university Council.

Persons holding degrees who provide paperwork proving that they are already involved in formal research work or who are admitted to specialization courses may present application requests for the scholarships.

In the application which has to be submitted to the Minister for Education within 60 days after the publication of the competition, the candidate must indicate the university-level institution where he/she intends to use the scholarship, the course of study he/she intends to follow and the length of the course.

The competition is based on exams and previous certificates. The relative evaluation will be performed by commissions established with the same criteria used for the award of scholarships to be used within Italy.

At the end of the evaluation the commissions will prepare graduated lists.

The scholarships will be awarded according to the graduation lists and taking into account the number of places available in each discipline.

The scholarships will cover the maximum duration foreseen by the individual overseas institutions where they will eventually be used.

ARTICLE 78

Confirmation of the Scholarships

The scholarship award, including those intended for overseas study, will be confirmed for the subsequent academic year unless otherwise decided by the authorities responsible for the course or for the school.

.Article 79
Responsibility of Scholarship Winners

All those persons who are registered for research courses or courses of specialization cannot in any way be involved in teaching activities. They are obliged to attend the courses in which they are enrolled.

Persons who do not observe the the statutory regulations of the institutions will lose the right to their scholarship.

Scholarship holders are not permitted to do any paid work for either private or public agencies.

The period of study covered by the use of the scholarship does not count as valid pension time nor is the person covered by any form of social insurance.

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ANNEX Q

THE COMMISSION FOR EDUCATIONAL AND CULTURAL EXCHANGE
BETWEEN ITALY AND THE UNITED STATES OF AMERICA*

The Commission for Educational and Cultural Exchange between Italy and the United States of America was first established on December 18, 1948 by executive agreement between the two governments. The first year of exchanges was 1949-50. Since then a total of approximately 8000 students, teachers and scholars have held Fulbright grants.

On December 15, 1975 a new agreement was signed to reflect the conditions arising from the Italian Government's financial contribution, which had begun in 1968, and the extension of the Commission's functions. This agreement was ratified by the Italian Parliament on June 12, 1980.

The Commission consists of twelve members, six of whom are American (appointed by the American Embassy) and six Italian (appointed by the Ministry of Foreign Affairs).

The Commission's budget for 1981-82 is \$946,000 inclusive of the Italian contribution of 220 million lire.

The Commission places major emphasis on graduate student and junior researcher exchanges. As to fields, its priorities are, in addition to American and Italian studies, in the humanities and social sciences. Because of its limited budget, it has adopted the policy of concentrating funds where there is less support from other sources. As a consequence, projects in scientific and technological subjects which are covered by a number of other organizations and programs, are considered only when the Commission's aid is a determining factor for their implementation, and if they are related to issues of major national concern.

In addition to its main purpose, and in line with the views of the Board of Foreign Scholarships, the Commission conducts a series of other activities which in its experience enhance the effectiveness of the exchange program. These activities may be grouped as follows.

(1) Educational Counseling; this function involves approximately 1000 requests per month (letters, calls, visits) and covers a variety of inquiries which may involve special research on specialized subjects. The public ranges from high

* This summary description of Commission activities was prepared in April 1982

school students to university deans, government officers and educational specialists. American students and scholars too resort to the Commission for similar information on Italian education.

(2) Arranging conferences from time to time and finding American speakers for conferences arranged by other organizations and institutions, through the intercountry lecturer program.

(3) Orientation programs for incoming American and departing Italian grantees.

(4) Follow-up of former grantees. The Commission keeps records of all former grantees and tries to up-date them to the best of its ability. The latest published directory of former Italian grantees covers exchanges through 1976. It maintains extensive correspondence with the American "alumni" as well as frequent contacts with the Italian returnees who have formed the "Italian Fulbright Association". Returnees are resorted to in connection with educational counseling, to assist new grantees, to cooperate in the selection process and to arrange, participate in, meetings, conferences and the like.

(5) "Facilitative Services", i.e. administering exchange programs on behalf of other organizations, advising and arranging contacts for American college administrators wishing to set up programs in Italy and, similarly for Italian administrators wishing to establish links with American institutions. Among the larger programs the Commission administers, with funds from other sources are: the Italian studies seminars for American teachers under the "Memorandum of Understanding between the U.S. and the Italian Government" of 1978 (formerly known as Pedini-Califano Agreement) and the Loan Fund Program.

The Commission also helps in the publicity of, and nomination for several private fellowship programs, such as the Woodrow Wilson International Center for Scholars, the American Council of learned Societies, the Academy of American and International Law, the American Association of University Women, I.T.T., certain Italian organizations, and it often assists in the evaluation of credentials. It also assists individual American universities in locating suitable lecturer or teaching assistants or in finding candidates for some special graduate or undergraduate international fellowship.

The latest non-Commission initiated project in which the Commission has cooperated also financially is the multinational Social Science Research Council-ICI project on "Economic Policy coordination of industrialized countries".

Five Italian scholars were selected by the Council for the academic year 1981-82.

As a part of the regular program, the Commission has been engaged since 1978 in the Italy-wide five-year Pilot Project in the teaching of Foreign Languages of the Italian Ministry of Education aimed at up-grading the Italian teachers of foreign languages in middle school (sixth, seventh and eighth grades). With regard to English, the project has consisted of training each year, by means of a special seminar in the United States, groups of 35 Italian teachers who were already knowledgeable in language teaching techniques and almost bilingual, and then became in turn the leaders of in-service training seminars for middle school teachers during the school year. At the same time, American instructors specialized in TEFL or TESOL were brought to Italy on Fulbright grants to assist the Italian teachers in these seminars. So far 140 Italian leaders have been trained and have in turn conducted in-service seminars for an approximate total of 2000 middle school teachers. An evaluation of the project is in progress. If the results are as favorable as they appear to be, the project will become a permanent feature of the programs in the Regional Institutes of Educational Research and Experimentation and the Commission's role would be phased out, unless new projects for upper secondary schools are devised and approved.

Italian Former Grantees

The Commission and the Fulbright program enjoy great prestige in Italy and the results of its thirty-year-long operation are extremely satisfactory also in terms of distinction of former grantees. So far as Italian returnees are concerned, the following is an approximate review of their status. Sixty percent of the 4000 former grantees are on academic staffs and at least ten percent are full professors. Another 13% are secondary school teachers and administrators.

At present one university rector and 19 deans are former grantees, and approximately 90 are directors of university institutes. Since these appointments are by election held every three years, there is considerable rotation. Accordingly, twenty more former grantees have been rectors or deans at one time or another in past years.

The present national government included one cabinet member (Virgilio Rognoni, Minister of the Interior), two more were in past cabinets; four are members of Parliament; one is member of the Constitutional Court; one is member of the High Judiciary Council. Six are known as being members of regional and big-city governments.

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There are 26 directors of non university research institutions; 5 top-ranking government officers (aside from some who have retired), 25 high-ranking officers of, or consultants to, economic, social and educational planning agencies, 16 foreign service officers; 21 officers of international organizations, 16 heads of archives and libraries; 26 on radio, TV and newspaper and magazine staffs; 68 business and bank executives.

Internationally known musicians, theatre directors and other artists are likewise to be found among Italian former grantees.