

UNCLASSIFIED

**AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT**



# **ANNUAL BUDGET SUBMISSION**

## **FY 82**

## **GUINEA-BISSAU**

BEST AVAILABLE

**JUNE 1980**

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY  
WASHINGTON, D.C. 20523

FY 1982  
Annual Budget Submission  
Guinea-Bissau

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FY 1982 ANNUAL BUDGET SUBMISSION

TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT (\$ Thousands)

Development Assistance	FY 1980 EST.	FY 1981 EST.	Decision Unit			Guinea-Bissau			
			FY 1982 REQUEST			PLANNING PERIOD			
			MIN	CURR	AARL	1983	1984	1985	1986
Agriculture, Rural Dev. & Nutrition									
Grants	1,130	1,203	500	500	800	875	2,000	2,500	2,500
Loans									
Population									
Grants									
Loans									
Health									
Grants									
Loans									
Education									
Grants	500	500	500	500	700	800	200		
Loans									
Selected Dev. Activities									
Grants		500	300	300	500	800			
Loans									
<b>SUBTOTAL FUNCTIONAL ACCOUNTS</b>									
Grants	1,680	2,203	1,300	1,300	2,000	2,475	2,200	2,500	2,500
Loans									
Other DA Accounts (Specify)									
Grants									
Loans									
<b>TOTAL DA ACCOUNTS</b>									
Grants	1,680	2,203	1,300	1,300	2,000	2,475	2,200	2,500	2,500
Loans									
<b>Security Supporting Assistance</b>									
Grants									
Loans									
<b>TOTAL DA AND SSA</b>	<b>1,680</b>	<b>2,203*</b>	<b>1,300</b>	<b>1,300</b>	<b>2,000</b>	<b>2,475</b>	<b>2,200</b>	<b>2,500</b>	<b>2,500</b>
<hr/>									
PL 480 (non-add)									
Title I									
(of which Title III)									
Title II									
					* Includes \$1 million for Forestry Management and Selected Development Training projects not contained in FY-81 CP.				
<hr/>									
Housing Guaranties (non-add)									
<hr/>									
<b>TOTAL PERSONNEL</b>									
USDH	5	5	5	5	5	5	5	5	5
FNDH	2	2	3	3	3	3	3	3	3

1. Table I Narrative

AID/Bissau's current USDH MODE ceiling is five, and includes the following positions:

1. Country Development Officer (encumbered)
2. Program Officer (encumbered)
3. Secretary (encumbered)
4. Budget and Accounting Officer (encumbered)
5. Agricultural Development Officer (under recruitment)

The Budget and Accounting Officer position was added and filled during FY-80 and is crucial to managing the implementation of our program pipeline which has now grown to approximately \$4 million. The Agricultural Development Officer position is under active recruitment. This position is vital to the future survival of the AID/Bissau program with its overwhelming concentration in the agriculture sector. A candidate with specialization in livestock development was recently nominated by AID/W for the position. We have rejected the nomination, since livestock is one of the few areas in which the USAID is not involved in Guinea-Bissau. Someone with practical experience in water and soils resource management and/or crop production is more appropriate to our program needs. If this position isn't filled shortly with the appropriate person, successful, timely initiation of our new Rice Production Project (0009) in the Geba River Basin could be jeopardized and implementation of the program pipeline will lag.

The above five positions are in addition to a USDH GSO detail to the JAO post which was recently approved. As explained in voluminous cable correspondence with STATE/AID Washington and the FY 1982 SPSS, without an adequately staffed JAO the post cannot handle satisfactorily the added support workload of up to 7 more full-time AID contract technicians projected to arrive during the next 12 months. The arrival at post of these new contractors will have to be carefully monitored and timed according to our capacity to put the JAO into operation.

Currently, our FNDH ceiling includes:

1. Secretary/Translator (encumbered)
2. Senior GSO Assistant (encumbered)

State 106834 indicated an FNDH ceiling of 3 for Guinea-Bissau for FY-82. We propose to fill this third position with a driver/mechanic/messenger.

Until FY 1982, the required services will continue to be provided under an FN contract. We currently foresee holding to three FNDH positions through the FY 1982-86 period.

We anticipate that the numbers of USDH and long-term contractor staff will remain constant at five and up to nine, respectively, during the FY 1982-86 period. We are confident that with the full establishment of our JAO the post will be able to satisfactorily support an AID USDH staff of five and up to nine long-term contract technicians.

The feasibility of managing a slightly larger program over the FY 1982-86 period without an increase in the present five USDH staff can be attributed to the following factors:

1. REDSO/WA Support: AID/Bissau will increase its reliance on REDSO/WA TDY assistance for legal counsel, procurement, contracting, project design and evaluation, as well as other aspects of project implementation.

2. Program Concentration: The total number of management units in the Guinea-Bissau program will be minimized to ease the implementation problem and provide for tighter project management. We have purposely avoided a proliferation of projects requiring numerous separate management units. The program will essentially concentrate on the agriculture sector. Even the Selected Development Training project (0008) will focus primarily on training needs related to agricultural development. It should also be noted that the Selected Development Training project does not require any extra full-time U.S. personnel stationed at post. It will be implemented in much the same way as the DTPSA training program; i.e., with the help of local committees/representatives, and U.S. based contractor administration.

3. Geographic Concentration: A large portion of the FY 1982-86 program will be concentrated in a few geographic areas. Rice production activities will focus on the Geba River Basin and the South Coast. The major land reclamation effort proposed for project initiation in FY 1983 is closely related to the proposed South Coast rice production project, since it involves rebuilding the dikes, dams and irrigation canals destroyed during the war for independence, and which are essential to return the area to its former level of rice production. Since the two activities are completely complementary, it is proposed that they be combined into a single rice production project. This concentration will ensure greater possibilities for positive impact on lives of small farmer recipients and at the same time facilitate efficiency of project operations.

PCV's with farming and cooperative experience could help to implement the AID rice production and fisheries projects. Unfortunately, the U.S. Peace Corps has not been invited into Guinea-Bissau. The Ambassador and CDO continually stress the opportunities of the PC with the GOGB and we are hopeful that during the FY 1982-86 period the PC will be admitted on a selective basis.

State 106834 indicated a USDH position ceiling of 4 for Guinea-Bissau for FY 1982. This would represent a reduction of one position from our current approved USDH MODE ceiling and the elimination of the GSO detailed to the recently approved JAO. We view the above outlined 5-person USDH core staff as the absolute minimum with which to implement the current AID/Bissau program and the projected levels (pipeline and new projects) for the FY 1982-86 program. Any reduction in personnel would jeopardize chances for successful program implementation. Likewise, as previously stated, the GSO detailed to the JAO is absolutely essential to supporting the AID USDH and long-term contract staffs.

The workload of the AID program changes only very slightly in FY 1982 at all three Decision Package Levels. Actually, there are only two Package Levels. The MINIMUM and CURRENT Package Levels are the same size. The AAPL Package Level does not add any new project starts; it merely provides additional funds for already ongoing projects. We believe that no additions or reductions to USDH or FNDH will be required in FY 1982 at any of the Decision Package Levels, over and above the five USDH and GSO detail, and three FNDH.

TABLE III - PROJECT OBLIGATIONS BY APPROPRIATION ACCOUNT  
 FY 1980 TO FY 1982  
 (\$ thousands)

Decision Unit Guinea-Bissau

APPROPRIATION ACCOUNT	FY 1980	FY 1981	FISCAL YEAR 1982		
			MINIMUM	CURRENT	AAPL
<u>Agriculture, Rural Development and Nutrition</u>					
Agricultural Development No. 657-0002 (G)	350	-	-	-	-
Food Crop Protection No. 657-0007 (G)	380	403	-	-	-
Rice Production II No. 657-0009 (G)	400	800	500	500	800
<u>Population</u>					
<u>Health</u>					
<u>Education and Human Resources</u>					
Primary Teacher Training No. 657-0003 (G)	550	-	-	-	-
Selected Development Training No. 657-0008 (G)	-	500*	500	500	700
<u>Selected Development Activities</u>					
Forestry Management No. 657-0005 (G)	-	500*	300	300	500
SUBTOTAL FUNCTIONAL ACCOUNTS	1,680	2,203	1,300	1,300	2,000
<u>Other Programs (specify)</u>					
<u>TOTAL ALL DA APPROPRIATION ACCOUNTS</u>	1,680	2,203	1,300	1,300	2,000
<u>Security Supporting Assistance</u>					
TOTAL SSA					
TOTAL DA AND SSA	1,680	2,203	1,300	1,300	2,000

\* Not included in the FY-81 Congressional Presentation.

MISSION UNIT  
Guinea-Bissau

TABLE IV PROJECT BUDGET DATA

NUMBER	PROJECT TITLE	O/F	OBLIGATION DATE		DATE OF NEXT PLANNED NON-ROUTINE REVAL.	CUM. PIPELINE AS OF 9/30/79	ESTIMATED U.S. DOLLAR COST (\$000)				FY 1982 CAPL OBLG.	FORWARD FUNDED TO (9/82)	FUTURE YEAR OBLIGATIONS
			INITIAL	FINAL			FY 1980		FY 1981				
							OBLG.	EXPEND.	CUM. PIPELINE	OBLG.			
657-0002	<u>Agriculture, Rural Development and Nutrition</u>	G	77*	80	-	1,310	350	850	-	700	110	-	-
657-0009	Agricultural Development	G	78**	83	-	90**	400	90**	800	500	700	9/82	-
657-0006	Artisanal Fishing	G	79***	79	-	500	-	180	-	200	120	-	-
657-0007	Food Crop Protection	G	78	81	-	383	380	200	403	400	566	-	-
	<u>Education and Human Resources</u>												
657-0003	Primary Teacher Training	G	77*	80	-	1,720	550	400	-	900	970	-	-
657-0008	Selected Development Training	G	81	84	-	-	-	-	500	300	200	9/82	1,000
	<u>Selected Development Activities</u>												
657-0005	Forestry Management	G	81	83	-	-	-	-	500	250	250	9/82	1,000
	TOTAL					4,003	1,680	1,720	2,203	3,250	2,916	-	2,000

\* Includes funding under Section 496(a) of the FAA.  
 \*\* Includes pipeline from A.I.P. Rice Production Project.  
 \*\*\* Artisanal Fishing Project was fully funded in FY-79.

### 5. New Projects Narrative

The following narrative writeups are for new FY 1981 projects which were not included in the FY 1981 Congressional Presentation. There are no new FY 1982 projects for Guinea-Bissau.

Project Title: Selected Development Training

Project Number: 657-0008

Life-of-Project Costs: \$2,200,000

Estimated Project Duration: FY-81 to FY-84

Purpose: To augment the number of Guineans trained in specific technical subjects, as well as in management/administration and supporting skills, to better plan and execute development schemes for the rural sector; and to institutionalize a capability for some of this training in Guinea-Bissau.

Background: The socio-economic development of the rural poor majority in Guinea-Bissau is seriously constrained by acute shortages of trained personnel at every level in Ministries directly and indirectly responsible for development in the rural sector. Indeed, improved small farmer productivity/production and the attainment of food self-sufficiency--the GOGB's and AID's priority objective--cannot be realized within an acceptable time frame unless the country greatly augments its core of trained agronomists, plant, soil and animal scientists, extensionists, and supporting administrative staffs. The country is also sorely deficient in trained local economists and development planners.

Guinea-Bissau, even more so than its former sister Portuguese colonies in Africa, was completely ignored from the point of view of preparation for eventual self-government. At independence the country was left with almost no trained personnel in any field. Today, five years later, the situation has improved little, considering the enormous task of reconstructing an impoverished economy. The country continues to be critically deficient in trained technicians. The general level of education is very low. Even those who find themselves in charge of Government development programs are often woefully limited in the skills needed to plan and manage. There presently exists a scant number of qualified and experienced personnel at upper levels; their effectiveness is further limited because there is virtually no supporting staff adequately trained in technical and managerial skills. In agriculture there are less than a handful of personnel with any training at the university level upon whom the burden of development in the sector falls.

The continuing need for trained manpower far exceeds the GOGB's training capabilities and is too large for any one donor to assume. The project will provide selective university degree training, community college/technical institute training and short course training in high priority areas of rural development, particularly agriculture and supporting fields, such as mechanical and electrical repairs, public administration, management, typing, bookkeeping/accounting, engineering, demonstration and extension, etc. Candidates will be nominated by the GOGB on the basis of specific training needs, to be identified in a Manpower Needs Analysis and Forecast Study.

Long-term academic training will be provided in the U.S., Brazil, and Portugal. We currently envisage this training to include areas such as irrigation and drainage, plant pathology/crop protection, soils science, fisheries, and economics. Short-term training, to the maximum extent possible, will be conducted in Guinea-Bissau. The project will strive to institutionalize in-country training capabilities for conducting short courses in areas of extension/demonstration work, farm machinery repairs, bookkeeping, etc.

In order not to jeopardize the ongoing functions of the Government, the bulk of long-term academic training will be directed at those who have recently finished their secondary school education and have not settled into permanent GOGB employment. In these cases, the GOGB sponsoring Ministries will be required to identify the prospective employment of the trainees in anticipation of their return.

The GOGB conscientiously promotes equality of sexes in the state-run school system, and under the project young men and women will compete and be eligible on an equal basis as candidates for training.

Host Country and Other Donors: The GOGB will provide salaries for trainees already in its employ, and predeparture costs for participants, as well as in-country training facilities. Project training will be coordinated closely with other donors in order to maximize resources and avoid duplication

Beneficiaries: The ultimate beneficiaries are the rural poor majority. Adequately trained Government employees capable of providing the know-how and means for improving production, delivering needed services, carrying out development tasks, etc., are essential to the implementation of development programs for the rural poor in Guinea-Bissau.

FY 1981 Program: A Manpower Needs Analysis Study will be undertaken to identify and priority rank the country's manpower and training needs for administering to rural development over the next ten years. The

study would form not only the basis for AID-funded training, but also would be used by the GOGB to channel rationally other donor training assistance which to date has been according to an ad hoc, target-of-opportunity type approach. Initial long-term participants will be selected and processed for overseas training programs.

<u>Major Project Outputs:</u>	<u>All Years</u>	<u>FY-81</u>	<u>FY-82</u>
Number of University degrees received	25		
Personnel trained in short courses	400		
In-country training capacity established	-		

AID-Financed Inputs: (in \$ Thousands)

Personnel (T.A. and trainers) (ST)	150	150
Training	300	500
Commodities	<u>50</u>	<u>50</u>
Total	<u>500</u>	<u>700</u>

Project Title: Forestry Management  
Project Number: 657-0005  
Life-of-Project AID Contribution: \$2,000,000  
Estimated Project Duration: FY-81 to FY-84

Purpose: To assist the GOGB in developing and implementing an effective program for cultivating and managing the country's forest resources.

Background: Guinea-Bissau's forests, which cover an area of about one million hectares, provide wood - the basic cooking fuel for the rural poor who comprise upwards of 85% of the country's total population. Just as important, these forests help preserve valuable agricultural lands by holding down flooding, recharging underground water supplies, reducing soil erosion, etc. The country is, however, in danger of losing its valuable forestry resources due to uncontrolled exploitation, indiscriminate cutting of young trees for firewood, slash-and-burn farming practices, etc. It is estimated that between 30,000 to 35,000 hectares of fertile forest lands are destroyed annually in Guinea-Bissau. This in turn represents a permanent threat to the agricultural productivity of these and adjacent lands which often are abandoned because of erosion or lack of groundwater. It also further exposes the countryside to desertification which is a growing problem in Guinea-Bissau. Unless positive actions are taken now, the country's forests could be demolished within 25 years. The effects of such deforestation on soil and climate would be catastrophic for agricultural production in Guinea-Bissau. The creeping deforestation that is currently taking place in Guinea-Bissau impedes achievement of the number one development goal of food self-sufficiency. There is no way that the country's land reclamation program could ever recoup hectareage of productive lands comparable to that lost each year as a result of deforestation.

The GOGB is increasingly concerned about its forests and recently created a Forestry Services Division within the Commissariat for Natural Resources to deal specifically with the problems of conservation and development of the country's forest resources.

Guinea-Bissau is in urgent need of a number of forestry interventions, but it has very limited financial and human resources of its own to initiate them. The project would focus on the following priority activities: 1) development of a classification and management plan for Guinea-Bissau's forests; 2) prevention and control of forest fires; 3) development of village forestry schemes; and 4) reforestation of cut and burned areas.

Host Country and Other Donors: This project will support both the research and development phases of forestry management in Guinea-Bissau. Canadian forestry expertise already assisting the GOGB's Forestry Services Division will collaborate in the project's implementation, especially at the field level. The GOGB will provide extensionists and seedlings.

**Beneficiaries:** The project will directly benefit an estimated 3,000 rural poor inhabitants in the target project area who will be involved in planting, building of firebreaks and erosion control devices, etc. The small farmer populations will benefit in terms of soil conservation/erosion control and continued availability of readily accessible firewood supplies.

**FY-81 Program:** During the first project phase, forest classification and planning would utilize the larger portion of project resources, while fire prevention and village control of forestry and reforestation would manifest themselves as pilot activities. Training and research would also be undertaken during the first phase. (A number of Senegalese forestry programs have expressed keen interest in collaborating with Guinea-Bissau by sharing accumulated research results and information, sharing seed stock, and providing on-the-job training for Guinean forestry technicians. Plugging into these ongoing Senegalese programs would result in considerable savings.) Preliminary plans would also be developed for improving existing GOGB nursery facilities and for establishing a new nursery.

<u>Major Project Outputs:</u>	<u>All Years</u>	<u>FY-81</u>	<u>FY-82</u>
Assessment of forestry resources	1		
Pilot forestry management/extension service in operation	1		
Forestry nurseries in full operation	2		
Establishment of an effective model to expand optimal use and protection of the country's forestry resources	1		

AID-Financed Inputs: (in \$ Thousands)

Personnel		300	250
Commodities		<u>200</u>	<u>250</u>
Total		<u>500</u>	<u>500</u>

## 6. Decision Package Narrative

The FY-82 Small Program Statement for Guinea-Bissau, and Bissau 452, dated 11 March 1980, form the basis of our FY-82 Annual Budget Submission and long-range projections through FY-86.

The economy of Guinea-Bissau is a little more than five years old and these have been years of trying to make just a start at rebuilding and repairing the heavy damage of over a decade of fighting for independence. Five years of independence and the promotion of a better distribution of essential goods and services to the population at large has barely put a dent in Guinea-Bissau's debilitating level of poverty. In addition to chronic food deficits, one of the most serious constraints to the country's development over the next decade is likely to be shortages of trained manpower.

Absorbed by the country's gross deficiencies, the GOGB has yet to elaborate its first development plan. An explicit development strategy does exist, however, and includes objectives and priorities for investment and development. A major emphasis of the development strategy is to promote and organize the participation of the country's rural poor majority in the development of the country's available resources. Preference is for low capital, labor-intensive projects that promote increased and diversified agricultural production. The major short-term goal is to achieve food self-sufficiency, especially in rice production. As a result, foreign exchange presently being used for food imports can be directed to pressing development needs. Any donor who assists in the attainment of the food self-sufficiency goal may be assured of full support from the Government. Second only to food crop production is the importance that the GOGB attaches to development of the fisheries sector.

To achieve the objective of increased food production, AID's priority development strategy is to concentrate resources on increased production of food crops, especially rice and fish.

The total FY-81 program for Guinea-Bissau in last year's Congressional Presentation amounted to \$1,203,000. This then is our CURRENT level for the FY-82 ABS. The Mission's FY-81 CP submission to AID/W actually amounted to \$2,203,000 and included \$500,000 for a new Forestry Management project and \$500,000 for a Selected Development Training project. Both these projects were omitted from the final FY-81 CP prepared by AID/W. (Actually, a line item was included for the Selected Development Training project in the final FY-81 CP, but no funding was specified.)

Subsequently, we were advised (State 112318, dated 29 April 1980) to include both the Selected Development Training and Forestry Management projects in the FY-82 ABS. However, because of the omission for funding of these projects in the final FY-81 CP, we are restricted now to a very low CURRENT level of funding for FY-82 ABS purposes. If both projects are eventually approved for FY-81 initiation (we are assuming both projects will be approved), the CURRENT level of \$1,203,000 (plus the allowed 10% increase) would barely finance continuation of ongoing activities requiring FY-82 funds.

Under the assumption that the Selected Development Training project and Forestry Management project will be approved, we cannot operate in FY-82 with funding below the CURRENT level. Therefore, for purposes of the FY-82 ABS our CURRENT level is also our MINIMUM level. If we were forced to go much below the CURRENT level, funding for considerable amounts of ongoing project activities scheduled for FY-82 would have to be picked up in FY-83. However, this would greatly delay project execution and would compromise the FY-83 program mix.

At the CURRENT and AAPL levels our program is consistent with priorities contained in AID/Bissau's strategy, per the FY 1982-86 SPSS.

In order that Guinea-Bissau has a reasonable chance at achieving food self-sufficiency before the end of the decade, we have opted to keep all ongoing projects\* moving at the different decision package levels during FY-82. (There are no new project starts in FY-82.)

The GOGB cannot achieve food self-sufficiency without increasing rice production. Our Rice Production project (0009) impacts directly and significantly on this high priority objective. It aims at making the Gabu/Bafata area--containing Guinea-Bissau's second largest urban population concentration--self-sufficient in rice. Currently, this is a food deficit area where shortages are met, when possible, with costly food imports.

The GOGB's institutional capacity for administration and implementation of development programs is being severely stretched. If Guinea-Bissau is ever to assume control over its own development, trained personnel at every level must be made available. The overwhelming trained manpower shortage acutely affects the GOGB's ability to absorb

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\* Ongoing projects which require FY-82 funding include: Rice Production (0009), Selected Development Training (0008) and Forestry Management (0005).

external donor assistance, especially in agriculture and rural development where the manpower gap is severest. Helping to build and strengthen the structure for GOGB services to agriculture (and fisheries) is a vital part of the AID strategy. More institutionalized training will be needed, not only in agricultural and fisheries production, but also in planning, marketing and management of this sector at the Government level. This will be provided by the Selected Development Training project (0008).

The annual destruction of fertile forest lands in Guinea-Bissau (between 30,000 - 35,000 hectares per year) represents a permanent threat to the agricultural productivity of these and adjacent lands which are often abandoned because of erosion or lack of groundwater. It also further exposes the countryside to desertification which is a growing concern in Guinea-Bissau. Deforestation is a serious obstacle to achieving the number one development goal of food self-sufficiency. There is no way that the country's land reclamation program could ever recoup hectareage of productive lands comparable to that lost each year as a result of deforestation. AID's Forestry Management project (0005), the first of its kind in Guinea-Bissau, attempts to prevent the deforestation problem from growing to catastrophic proportions.

MINIMUM Level (same as CURRENT Level)

CURRENT Level

At the CURRENT level (\$1.3 million), funding for all three ongoing projects requiring FY-82 financing is reduced, more or less proportionately, to absorb the \$700,000 reduction from the \$2 million AAPL (or ideal) funding level. While the CURRENT level and our apportioning thereof would not result in a stoppage of any of the ongoing projects, this amount falls short of what is required to maintain project implementation at the desired pace. For example, new participant startups under the Selected Development Training project would lag. Furthermore, timely achievement of the projects' objectives would be jeopardized without making up the shortfalls with funding increases in FY-83. This in turn would mortgage our FY 1983-and-beyond program, a compromise we view as highly undesirable.

AAPL Level

At the AAPL level (\$2 million) financial requirements of all projects for FY-82 are satisfied to assure an adequate pace of implementation. The AAPL level permits the Bissau Country Development Office to move effectively, given the requested personnel levels discussed in the Table I Narrative, toward achievement of all principal goals of the AID Program in Guinea-Bissau.

Bureau Code: Guinea-Bissau Decision Code:

TABLE V . FY 1982 PROPOSED PROGRAM RANKING

RANK	DECISION PACKAGES/PROGRAM ACTIVITY	PIPELINE/ ONGOING/ NEW	LOAN/ GRANT	APPROP. ACCT.	PROGRAM FUNDING (\$000)		WORK FORCE (Number of Positions)	
					INCR	CUM	INCR	CUM
					INCR	CUM	INCR	CUM
<b>DECISION PACKAGE: MINIMUM</b>								
	Terminated Projects with Pipeline							
	657-0002 Agricultural Development	P	G	FN	(110)			
	657-0006 Artisanal Fishing	P	G	FN	(120)			
	657-0007 Food Crop Protection	P	G	FN	(566)			
	657-0003 Primary Teacher Training	P	G	EH	(970)			
	*698-9901 Special Self-Help				(10)			
	*698-0135 Program Development & Support				(10)			
	Subtotal (Non-Add)				(1,786)			
<b>New and Continuing Projects</b>								
1.	657-0009 Rice Production	O	G	FN	500	500	5	3
2.	657-0008 Selected Development Training	O	G	EH	500	1,000		
3.	657-0005 Forestry Management	O	G	SD	300	1,300		
	Total Minimum Package & Basic Workforce				1,300		5	3**
<b>DECISION PACKAGE: CURRENT (Same as MINIMUM)</b>								
<b>DECISION PACKAGE: AAPL</b>								
4.	657-0009 Rice Production	O	G	FN	300	1,600	5	3
5.	657-0008 Selected Development Training	O	G	EH	200	1,800	5	3
6.	657-0005 Forestry Management	O	G	SD	200	2,000	5	3
	Workforce Increment AAPL Package					2,000	5	3
	Total AAPL Package & Related Workforce				700		5	3

\* Regional (Non-Add)  
\*\* Personnel Planning Level is 8.

**TABLE VI  
PROJECT SUMMARY**

**NUMBER OF PROJECTS**

	FY 79	FY 80	FY 81	FY 82 MIN	FY 82 CURR	FY 82 AAPL
IMPLEMENTATION AT BEGINNING OF YEAR.....	4	5	5	7	7	7
MOVING FROM DESIGN TO IMPLEMENTATION DURING YEAR.....	1	1	2	0	0	0
DESIGN FOR FUTURE YEAR IMPLEMENTATION.....	1	0	0	1	1	1
<b>SUBTOTAL.....</b>	<b>6</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>8</b>	<b>8</b>
NUMBER OF NON-PROJECT ACTIVITIES.....	0	0	0	0	0	0
<b>TOTAL.....</b>	<b>6</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>8</b>	<b>8</b>

IMPLEMENTATION AT BEGINNING OF YEAR.....  
 MOVING FROM DESIGN TO IMPLEMENTATION DURING YEAR.....  
 DESIGN FOR FUTURE YEAR IMPLEMENTATION.....  
**SUBTOTAL.....**  
 NUMBER OF NON-PROJECT ACTIVITIES.....  
**TOTAL.....**

**NUMBER OF PROJECTS MOVING FROM DESIGN TO IMPLEMENTATION BY PROJECT SIZE**

**AID'S CONTRIBUTION TO LIFE OF PROJECT COST**

	FY 79	FY 80	FY 81	FY 82 MIN	FY 82 CURR	FY 82 AAPL
LESS THAN \$1 MILLION.....	1	-	-	-	-	-
\$1 TO \$5 MILLION.....	-	1	2	-	-	-
\$5 TO \$15 MILLION.....	-	-	-	-	-	-
\$15 TO \$25 MILLION.....	-	-	-	-	-	-
MORE THAN \$25 MILLION.....	-	-	-	-	-	-

LESS THAN \$1 MILLION.....  
 \$1 TO \$5 MILLION.....  
 \$5 TO \$15 MILLION.....  
 \$15 TO \$25 MILLION.....  
 MORE THAN \$25 MILLION.....

**TABLE VII  
OPERATING EXPENSE FUNDED PERSONNEL  
YEAR END POSITIONS**

FUNCTIONS	FY 79			FY 80			FY 81					
	USDH	FNDH	US CONT	FN CONT	USDH	FNDH	US CONT	FN CONT	USDH	FNDH	US CONT	FN CONT
Executive Direction	2				2				2			
Program Planning	1				1				1			
Project Design												
Project Implementation					1				1			
Financial Management			1		1				1			
Mission Support				2		2				2		2
Non Mission Specific									1			
<b>TOTAL.....</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>6</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>6</b>	<b>2</b>	<b>0</b>	<b>2</b>
<b>PLUS: PASAs (OE &amp; Program)</b>												
<b>LESS: JAO Details</b>		<b>IDIs</b>			<b>1</b>	<b>IDIs</b>			<b>1</b>	<b>IDIs</b>		
<b>MODE Required</b>	<b>5</b>				<b>5</b>				<b>5</b>			

**TABLE VII**

FUNCTIONS	FY 82 MINIMUM			FY 82 CURRENT			FY 82 AAPL					
	USDH	FNDH	US CONT	FN CONT	USDH	FNDH	US CONT	FN CONT	USDH	FNDH	US CONT	FN CONT
<u>Executive Direction</u>	2				2				2			
<u>Program Planning</u>	1				1				1			
<u>Project Design</u>												
<u>Project Implementation</u>	1				1				1			
<u>Financial Management</u>	1				1				1			
<u>Mission Support</u>		3		1		3		1		3		1
<u>Non Mission Specific</u>	1				1				1			
<b>TOTAL.....</b>	6	3	0	1	6	3	0	1	6	3	0	1
<b>PLUS: PASAs (OE &amp; Program)</b>												
<b>LESS: JAO Details</b>	1	IDIs			1	IDIs			1	IDIs		
<b>MODE Required</b>	5				5				5			

TABLE VIII

**OPERATING EXPENSE SUMMARY - GUINEA-BISSAU**

COST SUMMARIES	FY 1979			FY 1980			FY 1981		
	(\$000's)	Related Workyear	Unit Cost	(\$000's)	Related Workyear	Unit Cost	(\$000's)	Related Workyear	Unit Cost
US Direct Hire	152.5	3.3	46.2	192.1	4	48.0	316.5	5.0	63.3
FN Direct Hire	-0-	-0-	-0-	12.4	3	4.1	15.6	3.0	5.2
US Contract Pers.	16.7	0.5	16.7	25.0	1	25.0	-0-	-0-	-0-
FN Contract Pers.	-0-	-0-	-0-	-0-	0	-0-	6.2	2.0	3.1
Housing Expense	159.4	6.0	26.6	120.9	6	20.1	93.2	5.0	18.6
Office Operations	158.5	xx	xx	150.5	xx	xx	208.3	xx	xx
Total Budget	487.1	xxx	xxx	500.9	xx	xx	638.8	xx	xx
Mission Allotment	396.2	xxx	xxx	352.8	xx	xx	436.2	xx	xx
FAAS		xxx	xxx		xx	xx		xx	xx
Trust Fund		xxx	xxx		xx	xx		xx	xx

**TABLE VIII - GUINEA-BISSAU**

	FY 1982 MINIMUM		FY 1982 CURRENT		FY 1982 AAPL		
	(\$000's)	Related Workyear	(000's)	Related Workyear	(\$000's)	Related Workyear	Unit Cost
US Direct Hire	306.8	5.0					
FN Direct Hire	16.4	3.0					
US Contract Pers.	-0-	-0-					
FN Contract Pers.	6.7	2.0					
Housing Expense	74.5	5.0					
Office Operations	196.1	XX		XX		XX	XX
Total Budget	600.5	XX		XX		XX	XX
Mission Allotment	397.0	XX		XX		XX	XX
FAAS		XX		XX		XX	XX
Trust Fund	-0-	XX		XX		XX	XX

**COST SUMMARIES**

US Direct Hire

FN Direct Hire

US Contract Pers.

FN Contract Pers.

Housing Expense

Office Operations

Total Budget

Mission Allotment

FAAS

Trust Fund

**TABLE VIII**

**OPERATING EXPENSE SUMMARY - GUINEA-BISSAU/CAPE VERDE**

	FY 1979			FY 1980			FY 1981		
	(\$000's)	Related Workyear	Unit Cost	(\$000's)	Related Workyear	Unit Cost	(\$000's)	Related Workyear	Unit Cost
<b>COST SUMMARIES</b>									
US Direct Hire	220.0	4.9	44.9	320.1	7.0	45.7	515.0	9.0	57.2
FN Direct Hire	0.5	0.1	0.5	21.8	5.0	4.4	26.3	5.0	5.3
US Contract Pers.	16.7	0.5	16.7	25.0	1.0	25.0	-0-	-0-	-0-
FN Contract Pers.	-0-	-0-	-0-	-0-	-0-	-0-	9.7	3.0	3.2
Housing Expense	203.4	8.0	25.4	191.9	9.0	21.3	161.0	8.0	20.1
Office Operations	200.0	xx	xx	242.8	xx	xx	302.4	xx	xx
Total Budget	640.6	xxx	xxx	801.6	xx	xx	1,014.4	xx	xx
Mission Allotment	508.7	xxx	xxx	560.0	xx	xx	680.6	xx	xx
FAAS		xxx	xxx		xx	xx		xx	xx
Trust Fund		xxx	xxx		xx	xx		xx	xx

**TABLE VIII - GUINEA-BISSAU/CAPE VERDE**

	FY 1982 MINIMUM		FY 1982 CURRENT		FY 1982 AAPL		
	(\$000's)	Related Workyear	(000's)	Related Workyear	(\$000's)	Related Workyear	Unit Cost
US Direct Hire	508.6	9.0					
FN Direct Hire	27.7	5.0					
US Contract Pers.	-0-	-0-					
FN Contract Pers.	10.6	3.0					
Housing Expense	144.3	9.0					
Office Operations	295.0	XX		XX		XX	XX
Total Budget	986.2	XX		XX		XX	XX
Mission Allotment	639.3	XX		XX		XX	XX
FAAS		XX		XX		XX	XX
Trust Fund		XX		XX		XX	XX

**COST SUMMARIES**

US Direct Hire

FN Direct Hire

US Contract Pers.

FN Contract Pers.

Housing Expense

Office Operations

Total Budget

Mission Allotment

FAAS

Trust Fund

Operating Expenses  
Guinea-Bissau/Cape Verde

The Guinea-Bissau/Cape Verde budgeted operating expenses require \$1,014.4 thousand for FY-81 and \$986.2 thousand for FY-82. The FY-81 figure is up \$212.8 thousand from the approved FY-80 level, reflecting costs related to two additional USDH coming on board in FY-81, a Project Manager for Cape Verde and an Agronomist for Guinea-Bissau.

The FY-82 requirements will be down slightly from FY-81 as no new USDH positions are foreseen in FY-82. The high start-up costs for the two additional USDH on board in 1981 (i.e., furniture, appliances, renovations, post assignments) will be incurred in FY-81.

The Mission has been asked by AID/W to comment on the following:

Impact of Restricted Operating Expense Levels

Due to the restricted OE levels in FY-80 the Mission was forced to defer furniture and appliance purchases. Purchases for USDH coming on board in FY-81 should have been implemented in FY-80 due to shipping time required to Guinea-Bissau and Cape Verde. Other than this point, the Mission was able to live with these restrictions, due to the small size of the staff. If the Mission had reached planned personnel levels in both USDH and project contract personnel, the restrictions would have posed a serious problem. However, one USDH and four PSCs, which were requested on PIO/Ts for FY-80, have not yet come on board as of the end of the third quarter, FY-80.

Mandatory Budget Increases Unforeseen in FY-81 ABS

At the time the FY-81 ABS was prepared, the Mission planned to purchase three additional sets of furniture from FY-80 funds. Purchases of two sets are being deferred until FY-81, although they did not originally appear in the FY-81 ABS. Therefore an additional \$40 thousand will be required to cover purchases and shipping. No other significant increases appear in FY-81 not foreseen when the FY-81 ABS was prepared.

Assumed Inflation Factor

The Mission has applied a 10% inflation factor, where necessary, for both Guinea-Bissau and Cape Verde. Inflation factors were calculated for travel costs including Post Assignment, HL, Educational Travel, R&R, as well as all Office Operations, international and domestic travel. Though housing costs have not risen substantially in Guinea-Bissau/Cape Verde, a 10% increase is reasonable when applied to Rents and Utilities. Furnishings and related Freight costs were figured including 10% for inflation, using actual 1980 prices as a base. Supplies and all other Code 25 items were also calculated to include 10% for inflation.

Significant Changes in Expenses

No significant changes in expenses for FN employees, housing, office operations, or travel appear in the FY-82 ABS Operating Expense Budget.

Travel

Due to the dual structure of the Mission, extensive international travel is required. The Mission has budgeted \$63 thousand for FY-81 and \$69.4 for FY-82. As the CDO residing in Guinea-Bissau is also responsible for Cape Verde, he will require a minimum of ten trips to Cape Verde per year. Cape Verde has an IDI who should travel to Bissau periodically to gain a broader view of the Mission operations, as well as to take part in various training courses offered throughout FY-81. Guinea-Bissau now has a Budget and Accounting Officer on the staff who will require quarterly trips to the Regional Controller's Office, Dakar, as well as attendance at two training courses being offered by that office. Trips between Cape Verde and Bissau are often costly, due to poor flight connections which frequently require layovers and routing through Dakar.

FY-81 Reductions

If the Mission were forced to cut the FY-81 OE budget by 5%, the major part of the reductions would require deferred purchases as follows:

One vehicle, plus freight	\$15,000
Office furniture/equipment, plus freight	20,000
Distributed cuts throughout office operation	<u>15,700</u>
TOTAL	\$50,700

Due to the relatively small size of the Mission, 5% is a substantial cut to absorb. Guinea-Bissau would have to defer the purchase of a badly-needed vehicle to replace a 1973 vehicle which is constantly down for repairs. Urgently required office furniture purchases will have to be delayed for another year.

Both 10% and 20% reductions in Operating Expenses for a small Mission such as Guinea-Bissau/Cape Verde can only be accomplished through reduced USDH personnel. With the current project activity levels in Guinea-Bissau and Cape Verde, reductions in personnel are not viable.

TABLE IX - SUPPORTING DATA ON PROPOSED PROGRAM RANKING  
 POSITION REQUIREMENTS - FY 19 80- 1982  
 (By Function, Organizational Unit, Position Title and Professional Speciality)

FUNCTION/ORGANIZATIONAL UNIT/ POSITION TITLE/PROFESSIONAL SPECIALITY	FY 1980		FY 1981		NUMBER OF POSITIONS														
	FY 1980		FY 1981		FY 1982		Current		AAPL										
	USDH	FNDH	USDH	FNDH	Minimum	Current	Minimum	Current	Minimum	Current									
	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH									
<u>EXECUTIVE DIRECTION</u>																			
Country Development Officer	1		1		1		1		1		1		1		1		1		1
Secretary	1		1		1		1		1		1		1		1		1		1
<u>PROGRAM PLANNING</u>																			
Program Officer	1		1		1		1		1		1		1		1		1		1
<u>PROJECT DESIGN AND IMPLEMENTATION</u>																			
Agricultural Development Officer	1		1		1		1		1		1		1		1		1		1
<u>FINANCIAL MANAGEMENT</u>																			
Budget and Accounting Officer	1		1		1		1		1		1		1		1		1		1
<u>MISSION SUPPORT</u>																			
Secretary/Translator		1		1		1		1		1		1		1		1		1	1
Senior GSO Assistant		1		1		1		1		1		1		1		1		1	1
Driver/Mechanic/Messenger																			1
<u>NON-MISSION SPECIFIC</u>																			
JAO Detail (GSO)	1		1		1		1		1		1		1		1		1		1
TOTAL	6	2	6	2	6	3	6	3	6	3	6	3	6	3	6	3	6	3	3

TABLE X SPECIAL CONCERNS  
ADDITIONAL PROJECTS

PROJECT NUMBER AND TITLE	APPROP	CONCERN CODE		FUNDING FOR SPECIAL CONCERN (\$000)				
		PRIME	SUB 1/	FY 1980	FY 1981	FY 1982		AAPL
						MINIMUM	CURRENT	
1. Rice Production 657-0009	FN	WID		150	150	150	150	150
2. Forestry Management 657-0005	SD	ENVR	3	-	500	300	300	500

1/ Use only for Environment Activities

FY 1982 ANNUAL BUDGET SUBMISSION  
PROJECT BUDGETS AND OBLIGATIONS  
TO MEET SPECIAL CONCERNS  
(THOUSANDS OF DOLLARS)

DECISION UNIT: 657 GUINEA-BISSAU

TABLE X

PROJECT NUMBER AND TITLE: 6570002 AGRICULTURE DEVELOPMENT APPROPRIATION: AGRICULTURE, RURAL DEV. AND NUTRITION

A. BUDGET IN CP: FY 1980 - \$ 350 BUDGET IN ABS: FY 1980 - \$ \_\_\_\_\_  
 FY 1981 - \$ 0 FY 1981 - \$ \_\_\_\_\_  
 FY 1982 - MINIMUM: \$ \_\_\_\_\_ CURRENT: \$ \_\_\_\_\_ APPL: \$ \_\_\_\_\_

B. OBLIGATIONS TO MEET SPECIAL CONCERNS:

ADP ITEM	SUB- CONCERN CODE	1980 BUDGET IN CP	1980 BUDGET IN ABS	1981 BUDGET IN CP	1981 BUDGET IN ABS	1982 BUDGET IN ABS MINIMUM:	1982 BUDGET IN ABS CURRENT:	APPL:
1492	ENVR	4	\$ 91	\$ 0	\$ 0	\$ _____	\$ _____	\$ _____

PROJECT NUMBER AND TITLE: 6570004 RICE PRODUCTION (AIP) APPROPRIATION: AGRICULTURE, RURAL DEV. AND NUTRITION

A. BUDGET IN CP: FY 1980 - \$ 0 BUDGET IN ABS: FY 1980 - \$ \_\_\_\_\_  
 FY 1981 - \$ 0 FY 1981 - \$ \_\_\_\_\_  
 FY 1982 - MINIMUM: \$ \_\_\_\_\_ CURRENT: \$ \_\_\_\_\_ APPL: \$ \_\_\_\_\_

B. OBLIGATIONS TO MEET SPECIAL CONCERNS:

ADP ITEM	SUB- CONCERN CODE	1980 BUDGET IN CP	1980 BUDGET IN ABS	1981 BUDGET IN CP	1981 BUDGET IN ABS	1982 BUDGET IN ABS MINIMUM:	1982 BUDGET IN ABS CURRENT:	APPL:
217	WID	0	\$ 0	\$ 0	\$ 0	\$ _____	\$ _____	\$ _____

FY 1982 ANNUAL BUDGET SUBMISSION  
PROJECT BUDGETS AND OBLIGATIONS  
TO MEET SPECIAL CONCERNS  
(THOUSANDS OF DOLLARS)

PROJECT NUMBER AND TITLE: 6570007 FOOD CRDP PROTECTION APPROPRIATION: AGRICULTURE, RURAL DEV. AND NUTRITION

A. BUDGET IN CP: FY 1980 - \$ 380 BUDGET IN ABS: FY 1980 - \$ \_\_\_\_\_

FY 1981 - \$ 403 BUDGET IN ABS: FY 1981 - \$ \_\_\_\_\_

FY 1982 - MINIMUM: \$ \_\_\_\_\_ CURRENT: \$ \_\_\_\_\_ APL: \$ \_\_\_\_\_

B. OBLIGATIONS TO MEET SPECIAL CONCERNS:

ADP ITEM	CONCERN CODE	1980 BUDGET IN CP	1981 BUDGET IN ABS	1982 BUDGET IN ABS
1546	ENVR 4	\$ 380	\$ 121	\$ 403
				MINIMUM: \$ _____
				CURRENT: \$ _____
				APPL: \$ _____

PROJECT NUMBER AND TITLE: 6579997 ALTERNATIVE ENERGY PROGRAMS APPROPRIATION: SELECTED DEVELOPMENT ACTIVITIES

A. BUDGET IN CP: FY 1980 - \$ 0 BUDGET IN ABS: FY 1980 - \$ \_\_\_\_\_

FY 1981 - \$ 0 BUDGET IN ABS: FY 1981 - \$ \_\_\_\_\_

FY 1982 - MINIMUM: \$ \_\_\_\_\_ CURRENT: \$ \_\_\_\_\_ APL: \$ \_\_\_\_\_

B. OBLIGATIONS TO MEET SPECIAL CONCERNS:

ADP ITEM	CONCERN CODE	1980 BUDGET IN CP	1981 BUDGET IN ABS	1982 BUDGET IN ABS
70	ENER	\$ 0	\$ 0	\$ _____
				MINIMUM: \$ _____
				CURRENT: \$ _____
				APPL: \$ _____

10. PL-480

Title II Assistance: AID/Bissau's strategy has been to remain flexible with respect to food assistance. However, the opportunities appear quite limited for application of PL-480 Title II as a development resource in responding to the nutritional needs of the poor majority in Guinea-Bissau.

Emergency Food Donations: The lack of rainfall in 1977 reduced staple food production in Guinea-Bissau by an estimated 50%, leading the Government to request and receive emergency food assistance from the international donor community. AID responded by providing over ten million kilos of rice and over two million kilos of corn through PL-480 Title II food donations. Under the terms of the PL-480 Title II Agreement, donated foods were sold by the Government, and the proceeds from the sales were to be earmarked for financing the country's agricultural development.

The rains during 1979 were late and somewhat deficient in certain geographic areas. The GOGB once again has requested external donor food assistance. The Dutch Government has pledged 10,000 mts. of rice. Other donors have pledged smaller amounts. There are contradictory reports as to nationwide production and availability of rice from the 1979 harvest. Part of the problem seems to be the result of an inadequate marketing/distribution system. There are reports of alleged production surpluses in the heavy rice producing southern portion of the country which cannot reach the chronically food deficient Bissau area, due to lack of transportation. We are considering the possibility of requesting 5,000 mts. of rice under PL-480 Title II Emergency Program for June or July, shortly after the new rice crop is planted and when prior stocks are normally very low. However, we are not committing ourselves until we have made spot checks throughout the southern rice-growing region to clarify actual food availabilities and deficits.

It should be pointed out that the GOGB has stated on a number of occasions that it is not interested in Food-for-Work type feeding operations. Nor is it inclined to view favorably dole-type feeding programs. Even in times of emergency food needs (such as the 1977 drought), the GOGB has shown a clear preference for selling donated foods, the proceeds of which are utilized for development purposes.

There are no VolAgs operating feeding programs in Guinea-Bissau. Furthermore, even if the GOGB were to reverse its position in favor of traditional PL-480 Title II feeding programs, it does not have the personnel, management resources or the infrastructure to implement a multi-year food assistance program. For the present (and near future) AID is limited to food support through the WFP and to responding with PL-480 Title II donations in circumstances requiring emergency food.