

UNCLASSIFIED

**Annual Budget  
Submission**

**FY 1985**

**KENYA**

BEST AVAILABLE



**JUNE 1983**

**Agency for International Development  
Washington, D.C. 20523**

UNCLASSIFIED

USAID/Kenya  
FY 1985 Annual Budget Submission

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CHIEF OF MISSION APPROVAL

I approve the program and workforce levels for fiscal years 1984 and 1985 for USAID/Kenya as presented in the FY 1985 Annual Budget Submission.

A handwritten signature in black ink, reading "Robert G. Houdek". The signature is written in a cursive style with a long horizontal stroke at the end.

Robert G. Houdek  
Charge d'Affaires, ad interim

Date: 2 JUNE 1983

I. Action Plan

A. Introduction

A review of the Africa Bureau Strategic Plan of May 6, 1983 reveals a very high degree of consistency between the Strategic Plan and the analysis and strategy sections of USAID/Kenya's FY 1984 CDSS and its FY 1985 CDSS Supplement. The strategies are consistent in their identification of major developmental problems and constraints such as low productivity of the agricultural sector, rapid population growth, lack of trained personnel and the need for economic stabilization measures. Both emphasize the need to support policy change, institution building, technology transfer and use of the private sector to effect development progress (for detail refer to the Kenya FY 1984 CDSS and its Supplement). The three strategy objectives for assistance to Kenya remain: (1) increased rural production, employment and income; (2) reduced population growth; and (3) efficient delivery of basic social services. In the near term Kenya requires balance of payments support to maintain its commitment to the structural adjustment of the economy that will enable it to move forward on its development objectives. The action plan for FY 1984-85 is structured around the three development objectives and Kenya's need for program assistance.

B. Program Assistance

The fundamental constraints to Kenyan development can be fully addressed only through a long-term process of policy change, institutional development, training, and technology transfer. Nonetheless, Kenya is faced with a serious balance of payments problem in the short to medium term. Industry and agriculture have increasingly suffered from periodic shortages of imported inputs, resulting in reduced capacity utilization, lower production and employment, and shortfalls in GOK revenue collections. The process of opening domestic markets to foreign competition through trade liberalization has been hampered by lack of required foreign exchange. At the same time, shortfalls in revenue have prevented Government from efficiently implementing existing development projects.

The current A.I.D. strategy in Kenya, therefore, includes provision of program assistance to provide both foreign exchange and budget support to promote and support

policy changes required to ensure long-term growth. Program assistance (ESF, PL-480 Title I, Sector Grants) which represented six percent of A.I.D. commitments to Kenya in FY 1979 will be close to 60 percent in FY 1983, FY 1984 and FY 1985. ESF and PL 480 Title I programs will together provide balance of payments support totaling \$47 million in FY 1984 and \$55 million in FY 1985. At such levels, the U.S. will make significant contributions to financing Kenya's overall projected balance of payments deficits and its structural adjustment, particularly in conjunction with additional such assistance being made available by the IMF, the World Bank, and various other bilateral donors. The balance of payments assistance itself, particularly if provided in a timely and reliable fashion, will enable Kenya to increase import levels and achieve higher production and improved tax revenues. The increased tax revenues, combined with available budgetary support, will permit existing development projects to be more efficiently implemented than was the case during FY 1982-83 (when the development budget had to be cut in mid-year by one-third due to revenue shortfalls). Significant levels of U.S. assistance in program rather than project form will therefore permit better funding of Kenyan commitment to existing development projects and increased capacity utilization. At the same time, in conjunction with program aid, the United States and other donors are pressing the Kenya Government on the importance of curtailing new project starts that will have recurrent cost implications.

Policy dialogue and policy change are inseparably linked with the program assistance proposed for the FY 1984-85 planning period. In the first instance, program assistance will be utilized to underwrite identified costs of policy change, and to fund technical assistance required to properly formulate and implement policy reform. Local currency provided through program assistance, and on-lent through the banking system, will in part be utilized to implement Government's policy decision to increase the relative share of local credit that is available to the private sector (particularly to export-oriented industries processing inputs or outputs for the agricultural sector). Provision of budget support for development activities provides special leverage to the U.S. in continuing the policy dialogue.

Over the next two years, U.S. policy negotiations will give special emphasis to two issues: improved GOK budgeting accounting and implementation of development

projects; and reduced Government and parastatal participation in economic activities. With regard to the first, it is planned that the U.S. will assist the GOK to improve donor coordination, to improve planning of Government expenditure in support of externally funded development projects, to accelerate processing of donor reimbursements due to Government, to more carefully monitor projects, and to rank order projects to eliminate uneconomic new starts and halt projects with unacceptable performance. With regard to parastatals, the U.S. has offered to help implement the findings of the recent "Report and Recommendations of the Working Party on Government Expenditures". This may involve provision of financing, technical assistance, and required studies leading to restructuring or divestiture of major parastatals, particularly those operating in the agricultural sector. In more general dialogue the U.S. Mission will continue to support the macro economic adjustments recommended by the World Bank and IMF and will particularly emphasize the need to reduce price controls.

C. Increased Rural Production, Employment and Income

Activities in support of this objective will focus upon, but not be limited to, programs that impact upon small holders and rural private enterprise production. During the action plan USAID will be addressing this development objective by initiating fewer, larger, longer term development programs. In FY 1984 USAID will initiate a project that addresses the limited managerial and technical skills in the agricultural sector. In FY 1985 we will focus on the constraints affecting the planning and implementation of agricultural research. Their impact will be minimal during FY 1984-1985. Even under normal circumstances, the process of project design, negotiation and initial implementation through either direct A.I.D. or host country contracting is time consuming. The slowness of the process is currently exacerbated by severe Government budgetary and balance of payments problems that are likely to continue through FY 1985. Our ongoing activities will result in the following actions:

-- The expansion of Egerton College enrollment from 690 to 1630 will be completed. As one of only two diploma-granting agricultural colleges in Kenya, Egerton provides middle-level personnel to both the public and private sectors.

-- Training financed by the Agricultural Systems Support Project (ASSP) training funds will be

completed. Most of the training financed by the Drylands Cropping, ASAL, Rural Planning II and On-Farm Grain Storage projects will also have been completed.

-- Through the Rural Private Enterprise project and matching funds provided by Kenya financial institutions, medium-term loan funds will be provided to increase rural production. Private capital formation of rural private enterprise, currently estimated at \$160 million per year, will be increased by approximately 10% through this program.

-- Six agro-forestry centers currently being established under the Renewable Energy Development Project will be supplemented by the establishment of thirty agro-forestry sub-centers. These centers will have the capacity to produce eight million seedlings per year which will plant about 50,000 hectares.

-- The Rural Roads System Project will be completed. Between October 1, 1983 and February 29, 1984 (the PACD) 400 kms. of rural access roads will be constructed, 100 kms. of roads gravelled and 50 bridges and box culverts constructed.

-- The current stage of research in dryland crops, arid and semi-arid lands and range management will have been completed. Research is aimed at developing soil and water conservation methods and agricultural technology which will increase production on semi-arid lands while conserving precious soil and increasing the productive capacity of Kenya's range lands by improving the quality of range forage and livestock management systems.

-- The technical assistance contract for the On-Farm Grain Storage project has not yet been signed. If there is not sufficient government action by July 15, 1983 the project will be cancelled. If the contract is signed before that date substantial progress can be made during the action plan period in carrying out the aims of the project. These are: (1) to provide small farmers in Nyanza and Western Provinces with on-farm grain drying and storage technology; (2) to undertake basic adaptive research; (3) to strengthen the Ministry of Agriculture's extension service in the field of post harvest technology; and (4) to develop a grain monitoring and evaluation laboratory with national capability.

D. Reduced Population Growth

To further its objective of reduced population growth USAID/Kenya will focus on two areas during the action plan period FY 1984 to 1985: (1) it will assist in building an institutional capacity in both public and private sectors to deliver family planning information and services; and (2) it will demonstrate effective, alternative, family planning delivery systems for broader replication.

- The Population Studies Research Institute (PSRI) whose purpose is to perform quality population and family planning research for Government, public and private agencies, international organizations, and the University itself will be fully Kenyanized. Four participants with U.S. Ph.D degrees will return to assume teaching, research and evaluation responsibilities previously held by expatriate professors. The last U.S. financed technical advisor will have departed. A final evaluation will be done to measure the extent of institution building accomplished by the project.

- The newly established National Council on Population and Development will be assisted by: (1) fully staffing the Council; (2) training Council staff; and (3) providing short-term consultants. The Council's secretariat will complete and begin implementing a work plan for an Interagency Information and Education Program on Population and Development. The work plan includes provision for grants to private and public institutions for subproject activities in information and education. The Council will develop and present to Government a Population Policy Paper. In sum, by the end of FY 85 the Council should be fully functional.

- Approximately 600 Enrolled Community Nurses and 180 Clinical Officers will receive 8 weeks in-service training in FP clinical skills and motivation. Two hundred service delivery points will be opened, mainly in rural areas, staffed by these newly trained personnel.

- The technical assistance team (TAT) under the Private Sector Family Planning project will initiate 28 sub-grants to private sector organizations to carry out sustainable programs for delivery of MCH/FP services. Support activities to be undertaken by the TAT to facilitate this program include: (1) development of a training program and the training of 50 paramedicals per year; (2) establishment of an efficient contraceptive supply system for access by the private sector; (3) implementation of operational

research activities; and (4) development of record keeping and data collection systems for monitoring and evaluation. The target for 1984-1985 is 13,000 new FP acceptors.

- Implementation of centrally funded A.I.D. projects will continue to provide: (1) population and family planning training; (2) demographic data collection and analysis; (3) community-based family planning programs; and (4) population and family planning information and education programs.

E. Efficient Delivery of Basic Social Services

USAID will follow the demonstration approach for the objective of efficient delivery of social services by demonstrating low-cost approaches to delivery of basic services (health, water and housing). Costs and benefits will be measured at the project level to determine cost-effectiveness. The demonstration of improved cost-effectiveness is intended to have its primary impact on Government policy formulation, and on the implementation of similar approaches involving the much larger volume of resources which can be committed by Government, by other donors, by communities, and by the private sector itself.

- The Health Planning and Information project will be completed during the action plan period. The project is developing a Kenyan staff capacity to plan, implement and evaluate health programs and policies. Mechanisms are being established to institutionalize and decentralize the Ministry of Health's planning capabilities.

- The Kitui Rural Health project was designed to establish a more effective primary health care delivery system to meet the preventive, promotive and curative health care needs of up to 70 percent of the population in the project area of Kitui District. Given the delays in implementation and increasing constraints on Government's resources we anticipate the project will have to be redesigned and reduced in complexity to make it an effective demonstration project.

- If feasible we plan to incorporate a community water supply demonstration project within the redesign of the rural health project. The aim will be to utilize innovative and cost saving design and materials and emphasize community participation in planning, construction, operation and maintenance of schemes.

- Reorientation of the PL 480 Title II program will be essentially completed by the end of FY 85. Among other significant changes and new initiatives, CRS/Kenya will demonstrate innovative ways in which MCH facilities can become the hubs around which nutritional and developmental activities can be structured.

- During the action plan period construction should begin on three Housing Guaranty programs: (1) Umoja Phase II, depending on the commitment of the interim Nairobi city government; (2) Kenya Small Towns Shelter and Community Development; and (3) Private Sector Shelter. An estimated 50 percent of the total construction for the three projects will be completed by the end of FY 1985.

Note: In FY 1984, \$2,890,000 will be obligated for the training of 175 participants. In FY 1985 \$3,345,000 will be obligated for the training of 198 participants. Actual training will either take place in the year funds are obligated or in following years.

FY 1985 ANNUAL BUDGET SUBMISSION

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

Country/Office Kenya

DEVELOPMENT ASSISTANCE	FY 1983 EST	---FY 1984--- CP	FY 1985 EST	FY 1985 AAPL	PLANNING PERIOD			
					1986	1987	1988	1989
Agriculture, Rural Development & Nutrition	27,274	36,000	35,800	40,000	34,000	31,000	50,000	43,000
Grants	15,674	29,800	23,400	40,000	34,000	31,000	50,000	43,000
Loans	11,600	6,200	12,400	-	-	-	-	-
Population	4,800	2,000	-	-	6,000	8,500	-	10,000
Grants	4,800	2,000	-	-	6,000	8,500	-	10,000
Loans	-	-	-	-	-	-	-	-
Health	800	-	200	-	5,000	7,500	-	-
Grants	800	-	200	-	5,000	7,500	-	-
Loans	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Selected Deve Activities	-	-	2,000	-	-	-	-	-
Grants	-	-	2,000	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
<b>TOTAL DA ACCOUNTS</b>	<b>32,874</b>	<b>38,000</b>	<b>38,000</b>	<b>40,000</b>	<b>45,000</b>	<b>47,000</b>	<b>50,000</b>	<b>53,000</b>
Grants	21,274	31,800	25,600	40,000	45,000	47,000	50,000	53,000
Loans	11,600	6,200	12,400	-	-	-	-	-
(Of Which PVU's)	( 1,100)	( - )	( 1,600)	( - )	( 2,000)	( 2,500)	( 3,000)	( 3,500)
<b>Economic Support</b>								
Fund	30,000	42,000	42,000	45,000	45,000	45,000	25,000	20,000
Grant	30,000	42,000	42,000	45,000	45,000	45,000	25,000	20,000
Loans	-	-	-	-	-	-	-	-
<b>TOTAL DA AND ESF</b>	<b>62,874</b>	<b>80,000</b>	<b>80,000</b>	<b>85,000</b>	<b>90,000</b>	<b>92,000</b>	<b>75,000</b>	<b>73,000</b>
PL480 (non-add)								
Title I	(15,000)	( 5,000)	( 5,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Title II	( 3,000)	( 4,032)	( 3,000)	( 3,700)	( 4,000)	( 4,500)	( 4,500)	( 5,000)
Housing Guaranties (non-add)	(25,000)	( - )	(8,000)	(25,000)	(20,000)	( - )	( - )	( - )
<b>Total PERSONNEL:</b>								
USDH (work years)	22.7	25	26	26	25			
FNDH (work years)	34.0	-	30	21	18			

FY 1985 ANNUAL BUDGET SUBMISSION

TABLE III - PROJECT OBLIGATIONS BY APPROPRIATION ACCOUNT  
FY 1983 to FY 1985 (\$ thousands)

Country/Office KENYA

<u>APPKOPRIATION ACCOUNT</u>		<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>
<u>Agriculture, Rural Development and Nutrition</u>		<u>27,274</u>	<u>35,800</u>	<u>40,000</u>
615-0169	Agriculture Systems Support Project	G 5,077*	-	-
615-0172	Arid and Semi-Arid Lands	G 6,822*	-	-
615-0189	Rural Planning II	G 775*	-	-
615-0220	Rural Private Enterprise	G 3,000	4,000*	-
615-0220	Rural Private Enterprise	L 11,600	12,400*	-
615-0221	Agricultural Management	G -	19,400	-
615-0229	Agricultural Technology	G -	-	40,000
698-0135	PD&S (non-add)	G ( 320)	( 263)	( 370)
<u>Population</u>		<u>4,800</u>	<u>-</u>	<u>-</u>
615-0216	Family Planning Management Research Program - OPG - AMREF	G 300	-	-
615-0223	Private Sector Family Planning	G 4,500	-	-
698-0135	PD&S (non-add)	G ( 63)	( 25)	( - )
<u>Health</u>		<u>800</u>	<u>200</u>	<u>-</u>
615-0203	Rural Blindness Prevention II - ILF OPG	G -	200	-
615-0216	Family Planning Management Research Program - OPG - AMREF	G 300	-	-
615-0219	Kitui Primary Health Care II - OPG	G 500	-	-
698-0135	PD&S (non-add)	G ( 6)	( 190)	( 125)
<u>Selected Development Activities</u>		<u>-</u>	<u>2,000</u>	<u>-</u>
615-0212	Small Towns HG-DA	G -	600	-
615-0225	Private Sector Shelter Financing - HG-DA (NACHU)	G -	1,400	-
698-0135	PD&S (non-add)	G ( 35)	( - )	( - )
TOTAL ALL DA APPROPRIATION ACCOUNTS		<u>32,874</u>	<u>38,000</u>	<u>40,000</u>
<u>Economic Support Fund</u>		<u>30,000</u>	<u>42,000</u>	<u>45,000</u>
615-0213	Structural Adjustment Program Grant	G 30,000	42,000	45,000
TOTAL DA AND ESF		<u>62,874</u>	<u>80,000</u>	<u>85,000</u>
		=====	=====	=====

\* Indicates mortgage

TABLE IIIA - PROJECT DEVELOPMENT AND SUPPORT FUNDS  
FY 1984 to FY 1985 (\$ thousand)

<u>APPROPRIATION ACCOUNT</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>Mission Priority</u>
<u>Agriculture, Rural Development and Nutrition</u>	<u>263</u>	<u>370</u>	
615-0221 Agricultural Management			
- PP	158	-	1
615-0229 Agricultural Technology			
- PID	82	-	2
- PP	-	158	1
Agricultural Rural Development and Planning			
- Exploration	23	-	2
- PID	-	30	1
Agricultural Higher Education			
- PID	-	45	1
- PP	-	112	1
PL 480 Title II			
- Assessment	-	25	1
<u>Population</u>	<u>25</u>	<u>-</u>	
615-0165 Population Studies and Research Center			
- Evaluation	25	-	-
<u>Health</u>	<u>190</u>	<u>125</u>	
615-0203 Rural Blindness Prevention II			
- Evaluation	10	-	1
Health Sector Up-date			
- Needs Assessment	180	-	1
Fee for Services/Alternative health Financing Mechanisms			
- Feasibility Study	-	125	1
TOTAL PD&S	478	495	
	***	***	

FY 1985 ANNUAL BUDGET SUBMISSION

Country/Office  
KENYA

TABLE IV PROJECT BUDGET DATA

Number	Title	G/L	Obligation Date		Life of Project Cost \$	Cum Pipeline As of 9/30/82	FY 1983		FY 1984		1985 AAPL	FY OBLIGATIONS FUNDED TO MO/YR		FUTURE YEARS
			Initial	Final			OBL	EXP	OBL	EXP		1986		
	Agriculture, Rural Development and Nutrition													
615-0168	Rural Roads Systems	G	77	80	1,748	635	-	600	-	35	-	-	-	
615-0168	Rural Roads Systems	L	77	77	13,000	7,925	-	4,000	-	3,925	-	-	-	
615-0169	Agricultural Systems Support Project	G	78	83	26,200	8,100	5,077	6,000	-	6,000	-	-	-	
615-0169	Agricultural Systems Support Project	L	78	79	23,600	8,118	-	4,000	-	4,118	-	-	-	
615-0170	Roads Graveling	G	77	77	1,400	109	-	109	-	-	-	-	-	
615-0170	Roads Graveling	L	77	77	7,700	1,233	-	1,233	-	-	-	-	-	
615-0172	Arid and Semi-Arid Lands Development (Kitui)	G	79	83	13,000	4,322	6,822	4,000	-	4,000	-	-	-	
615-0180	Drylands Cropping Systems	G	79	82**	4,000	2,543	-	1,500	-	500	-	-	-	
615-0189	Rural Planning II	G	80	83	3,575	1,881	775	900	-	900	-	-	-	
615-0190	On-Farm Grain Storage (PC)	L	81	81	7,800	7,378	-	1,500	-	1,500	-	-	-	
615-0220	Rural Private Enterprise	G	83	84	* 7,000	-	3,000	-	4,000	1,500	-	-	-	
615-0220	Rural Private Enterprise	L	83	84	* 24,000	-	11,600	-	12,400	5,000	-	-	-	
615-0221	Agricultural Management	G	84	84	* 19,400	-	-	-	19,400	500	-	-	-	

FY 1985 ANNUAL BUDGET SUBMISSION

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TABLE IV PROJECT BUDGET DATA

Number	PROJECT Title	G/L	Obligation Date		Life of Project Cost Auth/Plan*	Cum Pipeline As Of 9/30/82	Estimated U.S. Dollar Cost (\$000)				FY OBLIGATIONS		FUTURE YEARS	
			Initial	Final			FY 1983 OBL	FY 1983 EXP	FY 1984 OBL	FY 1984 EXP	1985 AAPL	FY FUNDED TO MO/YR		1986
Agriculture, Rural Development and Nutrition (continued)														
615-0228	Agricultural Sector Grant (CIP)	G	82	82	4,400	4,400	-	4,400	-	-	-	-	-	-
615-0229	Agricultural Technology	G	85	92	* 40,000	-	-	-	-	-	-	40,000	-	-
Appropriation Total														
						46,644	27,274	28,242	35,800	27,978	40,000	-	-	-
						21,990	15,674	17,509	23,400	17,435	40,000	-	-	-
						24,654	11,600	10,733	12,400	14,543	-	-	-	-
Population Planning														
615-0165	Population Studies and Research Center	G	76	80	2,692	468	-	200	-	268	-	-	-	-
615-0193	Family Planning II	G	82	82	4,000	4,000	-	1,000	-	1,300	-	-	-	-
615-0216	Family Planning Management Research Programs - OPG IMREF-(U.R.)SAMREP-(I.N.)	G	83	83	300	-	300	25	-	100	-	-	-	-
615-0223	Private Sector Family Planning	G	83	83	4,500	-	4,500	-	-	1,000	-	-	-	-
Appropriation Total														
						4,468	4,800	1,225	-	2,668	-	-	-	-
						4,468	4,800	1,225	-	2,668	-	-	-	-



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TABLE IV PROJECT BUDGET DATA

PROJECT		Estimated U.S. Dollar Cost (\$000)										Country/Office	
Number	Title	G/L	Obligation Date		Life of Project Cost * Auth/Plan*	Cum Pipeline As of 9/30/82	FY 1983		FY 1984		FY OBLIGATIONS FUNDED 1986		FUTURE YEARS
			Initial	Final			OBL	EXP	OBL	EXP	1985 AAPL	TO MO/YR	
<b>Selected Development Activities</b>													
615-0202	Savings Union Support - OPQ. CUNA - (U.R.)	G	80	80	425	1	-	1	-	-	-	-	-
615-0205	Renewable Energy Development (PC)	G	80	81	4,800	4,159	-	2,100	2,059	-	-	-	-
615-0208	Self-Help Enterprise Development - FVO-TECHNOSEWE (U.R.)	G	82	82	500	500	-	275	225	-	-	-	-
615-0209	Law in Development FVO PPP (U.R.)	G	81	81	150	16	-	16	-	-	-	-	-
615-0212	Small Towns HG-DA (PC)	G	81	82	1,265	594	-	280	314	-	-	-	-
615-0225	Private Sector Shelter Financial HG-DA - NACHU (I.R.)	G	84	84	1,400	-	-	-	200	1,400	-	-	-
615-0226	Maseno South Enterprise Development - OPC WEI (U.R.)	G	82	82	500	500	-	150	200	-	-	-	-
Appropriation Total						5,770	-	2,822	2,000	2,998	-	-	-
Grant						5,770	-	2,822	2,000	2,998	-	-	-
Loan						-	-	-	-	-	-	-	-

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TABLE IV PROJECT BUDGET DATA

PROJECT Number	PROJECT Title	G/L	Obligation Date		Life of Project Cost * Auth Plan*	Cum Pipeline As Of 9/30/82	Estimated U.S. Dollar Cost (\$000)				FY OBLIGATIONS FUNDED TO MO/YR	FY OBLIGATIONS 1986 FUTURE YEARS	
			Initial	Final			FY 1983		FY 1984				1985 AAPL
							OBL	EXP	OBL	EXP			
	Economic Support Fund												
615-0200	Commodity Import Program	G	80	82	20,000	189	-	-	-	-	-	-	-
615-0213	Structural Adjustment Program Grant	G	83	85	*117,000	-	30,000	30,000	42,000	42,000	45,000	-	-
615-0227	Kenya Program Grant	G	82	82	10,714	10,714	-	10,714	-	-	-	-	-
	Appropriation Total -												
	Grant				147,714	10,903	30,000	40,903	42,000	42,000	45,000	-	-
	Loan				147,714	10,903	30,000	40,903	42,000	42,000	45,000	-	-
	Program Total				380,825	79,665	62,874	75,566	80,000	77,602	85,000	-	-
	Grant				300,095	50,381	51,274	64,433	67,600	62,559	85,000	-	-
	Loan				80,730	29,284	11,600	11,133	12,400	14,943	-	-	-

\* Indicates planned amount.

\*\* Final year of obligation different from FY 84 CP

\*\*\* Change resulted from re-examination of accrued expenditure estimates

(U.R.) U.S. registered PVOs  
(I.N.) Indigenous non-registered PVOs  
(I.R.) Indigenous registered co-operative society  
(P.C.) Peace Corps - Personnel only provided by Peace Corps

PROJECT NUMBER : 615-0229

PROJECT TITLE : Agricultural Technology

PROPOSED FUNDING : FY 1985 Grant \$40,000  
Loan \$ -  
Total \$40,000  
(Thousands \$)

LOP Grant \$40,000  
Loan \$ -  
Total \$40,000

APPROPRIATION ACCOUNT: ARDN

Purpose: To institutionalize a national research system that is developing and adapting food and agricultural technologies responsive to the local agroclimatic, economic and social conditions faced by small farmers.

This project would be Phase I (the initial 6 years) of a 15 year effort to develop a quality national agricultural research system implementing relevant agricultural research activities in Kenya.

Problems to be addressed: Development of new agricultural technology in Kenya has in the past been directed at the large scale commercial farmers and export crops. The little effort directed at technology appropriate to the small farm sector has generally not considered the economic, social and specific agroclimatic conditions faced by small farmers in the several agroclimatic regions of the country. Little effort has been directed at learning the constraints actually faced by small farmers, their perceptions of their problems and their ideas about and reactions to solutions to those problems. Recommendations that are developed thus tend to ignore the economic and social conditions of small farmers, many, if not most, of whom are women.

Other major problems that need to be addressed include: poor management of the agricultural research system and of many research facilities; a lack of trained personnel to carry out agricultural research - particularly on food crops, and animal production methods for smallholders (both to be addressed initially in the FY 84 Agricultural Management Project as discussed in the 1985 CDSS Supplement); inadequate research equipment and facilities; insufficient recurrent budget support for research activities; inadequate interaction and communication between researchers, extension service personnel and higher education faculties; and the role the private sector could play in agricultural research activities and dissemination of new technology.

The Kenya Mission in 1985 CDSS Supplement proposes emphasis on increasing the efficient use of resources by institutionalizing the capability for technology transfer and the training of personnel required to improve planning and management in agriculture and related rural enterprises. The project also conforms to the AID Policy Paper on Food and Agricultural Development which has as its main thrust the development of a domestic human and institutional capacity to develop and apply food and agricultural science and technology. The Africa Bureau strategic plan states that the central focus of the long term development strategy will be agriculture. A priority program within this focus will be the building of self-sustaining African institutions that provide appropriate technology, inputs and services at the time and in the quantity necessary for effective production and distribution of food products. This project will focus on the planning and implementation of research activities and will directly address the development of the institutions and human resources required to do this planning and implementation (See the Administrator's guidance to Mission Directors in State 142410).

In line with AID's "Research Priorities in Agriculture" the project will focus on the development of:

1. Institutional capability to generate suitable technologies and get them applied on smallholdings.
2. Management systems for sustained production in less favorable environments, i.e., the arid and semi-arid lands of Kenya.
3. Minimum purchased input systems to meet the needs of major food and cash crops.
4. Livestock in mixed farming enterprises with emphasis on forage production and year-round feeding for both mixed farming and range-pasture enterprises.
5. Crop and animal protection by the most cost effective and environmentally acceptable means.
6. Food and agriculture policy as it relates to crop and animal production.

The project will finance the training of selected agricultural research personnel to ensure that these individuals have adequate technical background to carry out research and are committed to working as part of a multidisciplinary team with farmers and extensionists in a farming systems mode. These individuals will be seasoned employees of research institutions in line with the AID policy of "deferring specialization to a relatively late stage in the training cycle". A special effort will be made to train capable women to fill the need for better interaction with female farmers. Technical assistance will be provided to institutionalize the farming systems approach in the earlier years of the project.

A recent study of Kenya's Agricultural Research Manpower needs by the International Service for National Agricultural Research (ISNAR) estimates that the country will require approximately 35 new M.Sc. and Ph.Ds per year over the next 10 years. To provide the preponderance of such training - say 30 of the 35 - at current costs and at reasonable rates of inflation would require approximately \$20 million. Funding is also required for technical assistance from the U.S. and the international research community, upgrading of facilities and equipment, and a fund to support Kenyan research. Such a fund, jointly controlled by the research community and AID, would support research proposals that address Kenya research priorities received from the university, public and private sectors.

Target Group: The ultimate beneficiaries of this project will be the nation's approximately 2 million smallholder households and the large numbers of people who will be employed on these small scale commercial farms. Kenyans employed by the growing number of small and large scale agribusinesses will also benefit.

PROJECT NUMBER : 615-0225

PROJECT TITLE : Private Sector Shelter Financing

PROJECT FUNDING : FY 84 Grant \$1.4  
Loan \$ -  
(Thousands \$) Total \$1.4

LOP Grant \$1.4  
Loan \$ -  
Total \$1.4

APPROPRIATION ACCOUNT: SDA

Purpose: To strengthen the Kenyan cooperative housing movement.

Problems to be addressed and means of dealing with them: The public sector does not have either the institutional or financial resources to provide the housing that is and will be required for the rapidly expanding urban population. The proposed \$50 million Housing Guarantee (HG) loan and this \$1.4 million grant project are intended to induce the private and cooperative sectors to expand their operations progressively to lower income households. This project in concert with the HG loan will aim at establishing a self-supporting housing finance system capable of responding to the housing needs of all segments of the population, especially lower income families. Private builders, developers and cooperatives will contribute to the goal by providing affordable housing for lower income families.

A newly formed National Cooperative Housing Union (NACHU) has the purpose to assist its members, including many low income cooperative groups, organize themselves into housing cooperatives. About 60 registered housing cooperatives in Kenya, many of which have able and motivated leadership, still require technical and financial support and are looking to their cooperative union, NACHU, for guidance. NACHU, if supported, can mobilize the latent self-help and mutual help potential of cooperative groups. However, unless mortgages and technical assistance are available, the effective operation and economic viability of the cooperative movement will not occur. This project will enable NACHU to develop the capacity to package shelter programs and obtain financing for its member cooperatives. The Cooperative Agreement between AID and a U.S. non-profit institution will provide long-term and short-term technical assistance and essential equipment and training for NACHU.

Target Group: Households with incomes below the median level.

Major Policy Concerns of this Administration: The proposed project addresses the present administration's concerns by involving the U.S. and Kenyan private sector, by promoting policy change and institution building, and by providing appropriate technology. The Kenyan government's housing standards are unrealistically high in terms of Kenya's climate and low cost housing needs. Low cost housing will require continuing revision of these standards. The Kenyan housing cooperatives are a large potential market for a private housing finance system and the \$1.4 grant will be used by a U.S. non-profit institution to strengthen the cooperative housing movement in Kenya.

FY 1985 ANNUAL BUDGET SUBMISSION

TABLE V - FY 1985 PROPOSED PROGRAM RANKING			Country/Office			
RANK	PROGRAM ACTIVITY DESCRIPTION	ONGOING NEW	LOAN GRANT	APPR ACCT	PROGRAM FUNDING (\$000)	
					INCR	CUM
1	615-0213 Structural Adjustment Program Grant	0	G	ESF	45,000	45,000
2	615-0229 Agricultural Technology	N	G	FN	40,000	85,000
3	PL 480 Title II					
	A. MCH Feeding	0	G	-	( 2,400)	85,000
	B. Other	0	G	-	( 1,300)	85,000
4	Private Sector Housing Guaranty	0	L	-	(25,000)	85,000
5	PL 480 Title I	0	L	-	(10,000)	85,000

## I. Proposed Project Ranking Narrative

A. The long-term objectives of A.I.D's economic assistance strategy for Kenya as presented in the FY 1984 CDSS are still appropriate. These objectives in priority order are: (1) increased rural production, employment and income; (2) reduced population growth; and (3) efficient delivery of basic social services. The fundamental constraints to attaining these objectives are still there and will persist as impediments to development for a long time. What has changed since the FY 1984 CDSS is the increasingly detrimental impact of the short-term effects of structural problems deeply rooted in the economy. The balance of payments constraint limits the capability of the Kenyan government to sustain significant levels of activities in the priority development sectors and the ability of the economy to adjust itself to changes.

The IMF, in its recently concluded negotiations, the IBRD in its attempts at inducing policy and structural change, and the donors who attended the November 1982 conference in London are increasingly concentrating their attention on macroeconomic issues. A.I.D. assistance for the next 2-3 years will also focus more on these problems than in the past because, simply put, the U.S. contribution in terms of financial flows, is critical to the success of the effort. Under the best of circumstances, Kenya will not achieve a sustainable balance of payments position until the mid - 1980's. To an important degree trade liberalization, structural adjustment, and growth will be conditioned on the availability of foreign exchange.

The implication for donors is that structural adjustment should be supported by a shift from project to program assistance, by increased concessionality and grant funding, and by flexibility in financing local costs and recurrent expenditures. Among the group of countries currently providing assistance to Kenya, the United States is perhaps the most likely to have the resources and the mechanisms to respond flexibly to Kenya's current needs (utilizing the Economic Support Fund and PL 480). The U.S.A.I.D. strategy is to respond positively and strongly to Kenya's request for program assistance, particularly over the next three years, utilizing the opportunity to bring additional influence to bear on implementation of policy changes which support continued structural adjustment.

It is because of these overriding short-term balance of payments problems and need for structural adjustment that the Structural Adjustment Program Grant (615-0213) is ranked highest in Table V. The PL 480 program ranks lower because it affords only a limited forum for policy dialogue. The main purpose of these programs is to provide balance of payments support that will help persuade Government to undertake and help fund appropriate policy change.

B. Given Kenya's serious short-term balance of payments problems, and the ability of the United States to provide program assistance, A.I.D. views such assistance as contributing to the economic capacity and stability that is required if development objectives are to be met. As previously noted A.I.D.'s highest priority development objective in Kenya is increased rural production, employment and income. Rapid population growth, limited availability of arable land, and the breakup of large holdings after independence have increased the number of small farms. Agricultural support systems now face an arduous challenge to supply the appropriate technologies and inputs required to increased farm productivity. For these reasons the Agricultural Technology project is ranked second on Table V. The purpose of this project is to institutionalize an effective research system for the development and adaptation of technologies responsive to the local agroclimatic, economic and social conditions faced by Kenya's small farmers.

C. The programs discussed in paragraphs A and B above aim at general economic development and more specifically at increased rural production, employment and income. The fruits of economic development and increased production are better social services for a country's population. Efficient delivery of basic social services is the third ranked development objective in A.I.D.'s strategy for Kenya. Both the Title II and Housing Guaranty programs are aimed at this objective and will promote better use of public and private institutions and technologies to relieve Government of the ever-increasing social service burden.

## I. Evaluation Plan

### A. Issues Narrative

The evaluations in USAID's FY 1984-85 evaluation plan will examine the four priority areas of the current administration as well as certain additional issues that have emerged in Kenya. The final evaluation of the Population Studies and Research Center and the evaluation of Egerton College are excellent examples of assessments of institution building. Technology transfer is an integral part of a number of projects scheduled for evaluation, such as Dryland Cropping and On-Farm Grain Storage. A particularly close look will be taken at a number of private sector project implementors to see if our efforts in this area can be expanded. These organizations include: Technoserve, Catholic Relief Services, the Diocese of Maseno South, International Eye Foundation and the African Medical Research Foundation. While policy change tends to be associated with USAID's program assistance, it is an important consideration in some of our projects, such as Family Planning II which is scheduled for an evaluation in both FY 1984 and FY 1985.

During the past year, it has become very clear that the Kenyan government's budgetary and management circuits are overloaded with donor projects. USAID and other donors are currently considering ways to assist Government establish a system that will result in the rank ordering of donor activities and the weeding out of the least productive projects. At the same time USAID's decreasing personnel ceilings have become a constraint to the size of the portfolio of projects that can be effectively managed. In the design of two major new projects (Rural Private Enterprise and Private Sector Family Planning) as much of the management of the projects as possible is being shifted outside USAID as a conscious part of the design process. Both projects also make heavy use of the private sector resources. Given these constraints, USAID evaluation will be examining ways in which major new projects can be designed to minimize the impact upon Government's budgetary and personnel resources and USAID's management's workload while making greater use of the private sector.

TABLE VII - LIST OF PLANNED EVALUATIONS  
FY 1985 ANNUAL BUDGET SUBMISSION

COUNTRY/OFFICE KENYA

Project List (Project No. & Title)	FY 1984		FY 1985		Reasons/Issues	Funding		Collateral AID Assistance
	Last Eval Completed (Mo./Yr.)	Start To (Qtr) AID/W (Qtr)	Start To (Qtr) AID/W (Qtr)	Start To (Qtr) AID/W (Qtr)		Source (\$000)	Person Days	
Agriculture, Rural Deve- lopment and Nutrition								
615-0169 Agriculture Systems Support Project	04/82	3	4	-	PACD = 03/85 Evaluation will measure progress in institutional development, particularly in the Egerton, Kiboko and MOA/MOLD training components.	Project 55	30	
615-0172 Arid and Semi-Arid Lands Development*	-	-	-	1	PACD = 12/84 Based on the most recent (April 1983) evaluation, this project will be redesigned. The FY 85 evaluation will measure progress against the revised objectives and the soundness of these new objectives. The evaluation will also assess the effectiveness of inter-ministerial mechanisms for coordination and implementation.	Project 30	30'	
615-0180 Drylands Cropping*	04/82 615-82-06	1	2	-	PACD = 01/87 This will be a final evaluation to assess progress against stated objectives, identify lessons learned and measure GOK commitment to research. It will also provide input for future agriculture research efforts in Kenya.	Project 35	30	Outside consultants 2 for 30 days each
615-0190 On-Farm Grain Storage	-	4	1 FY 85	-	PACD = 04/86 This will be an initial evaluation to determine if the project objectives are valid or if they should be modified, particularly those dealing with extension methodology. Early impact will be measured and potential future impact estimated.	Project 50	30	
615-0221 Agricultural Management	-	-	-	4	This will be an initial evaluation to assess early impact of project and, if appropriate, to suggest modifications for more effective implementation.	Project 50	30	

TABLE VII - LIST OF PLANNED EVALUATIONS  
FY 1985 ANNUAL BUDGET SUBMISSION  
COUNTRY/OFFICE KENYA

Project List (Project No. & Title)	Last Eval Completed (Mo./Yr.)	FY 1984		FY 1985		Reasons/Issues	Funding Source (1980)	USAID Person Days	Collateral AID Assistance
		Start To (Qtr)	Start To (Qtr)	Start To (Qtr)	Start To (Qtr)				
<u>Population</u> 615-0165 Population Studies and Research Center	06/81 615-82-09	2	3	-	-	PACD = 09/84  This project concentrates on building the institutional capability of the Population Studies and Research Institute to perform high-quality population, FP training and research. This terminal evaluation will assess the extent of institutional development, the remaining constraints, the lessons learned, and requirements for additional external assistance if any.	PD6S	25	7
615-0193 Family Planning II	-	2	3	-	-	PACD = 09/85  The FY 84 evaluation will address the effectiveness of inservice FP training of 2 cadre of paramedicals. Competency of the graduates in FP clinical skills will be assessed.	Project	10	5
615-0216 Family Planning Management Research Program - OPC (AMREF)	-	-	-	1	2	The FY 85 evaluation is a mid-term evaluation of the Integrated Rural Health and Family Planning Program. The evaluation will measure performance against project indicators and appraise the GOK plans for Phase II. Focus will be on institutional capacity within GOK to implement effective birth spacing and limitation of family size.	Project	56	15
<u>Health</u> 615-0187 Health Planning and Information	08/82 615-83-02	1	2	-	-	PACD = 06/86  The evaluation is designed to assess the progress of institutional development of the AMREF MCH/FP/Nutrition Unit and the results to date of five pilot interventions.	PDSS	10	7
						PACD = 01/86  The evaluation will determine the degree to which the capabilities of the Ministry of Health have been developed for health planning, budgeting, manpower forecasting and the degree these programs have been institutionalized within the Ministry.	Project	25	7

TABLE VII - LIST OF PLANNED EVALUATIONS  
FY 1985 ANNUAL BUDGET SUBMISSION  
COUNTRY/OFFICE KENYA

Project List (Project No. & Title)	Last Eval Completed Start (Mo./Yr.)	FY 1984		FY 1985		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral AID Assistance
		(Qtr)	(Qtr)	(Qtr)	(Qtr)				
Health cont.									
615-0203 Rural Blindness Prevention II - OPG (IEF)	05/81 615-82-04	-	-	2	3	PACD = 12/84  Evaluation will measure the extent to which project operations have been integrated into government programs. The need for integration was the main justification for the one-year low cost extension.	PD&S 10	7	
615-0219 Kitui Primary Health Care II - OPG (CBS)	-	-	-	4	1 FY76	PACD =  The evaluation will assess: (1) the practicality/cost of Mobile Health Services; (2) the extent activities have been integrated into the GOS-health system; (3) impact of project upon infant morbidity, and mortality; and (4) nutritional impact project has had on children ages 1-5.	PD&S 10	7	
PL 480 Title II	-	-	-	2	3	N/A  To perform a comprehensive review of program changes and new initiatives.	PD&S 20	10	
Education and Human Resources									
615-0214 Technological Training	-	-	-	1	2	PACD = 09/83  This project provides equipments to the Kenya Industrial Research and Development Institute and six technical institutions to improve technical and vocational skills of Kenyans. The evaluation will include: (1) inspection to ascertain that all A.I.D. financed equipments have been received by recipients; (2) review of KIRDI records and interviews with KIRDI staff to determine how KIRDI has improved its services; and (3) review of students' enrollment records at the six institutions to ascertain the net increase in enrollment.	PD&S 20	10	

TABLE VII - LIST OF PLANNED EVALUATIONS  
FY 1985 ANNUAL BUDGET SUBMISSION

COUNTRY/OFFICE KENYA

Project List (Project No. & Title)	FY 1984		FY 1985		Reasons/Issues	Funding Source (\$000)	USAID Person Data	Collateral AID Assistance
	Last Eval Completed (No./Yr.)	Start To (Qtr)	Start To (Qtr)	Start To (Qtr)				
<u>Selected Development Activities</u>								
615-0208 Self Help Enterprise Development - OPC (TECHINSERVE)	-	2	3	-	PACD = 06/84  The purpose of this project is to create and strengthen private enterprises in Kenya by providing technical and managerial assistance to local enterprises and private voluntary organizations. In addition to measuring achievement of project objectives, the evaluation will specifically assess: (1) the sustained impact of Technoserve assistance following withdrawal of assistance from a local enterprise; (2) Technoserve's success in generating income through fees and grants from other donors; and (3) cost effectiveness of Technoserve assistance.	PD6S 20	5	
615-0226 Maseno South Enterprise Development - OPC (WEI)	-	2	3	-	PACD = 09/85  This mid-term evaluation has been included as part of the project to assess the progress of the Diocese of Maseno South in enabling rural adults to gain the skills and knowledge they need to participate in, and contribute to the establishment of local sustainable economic activities. Of particular interest will be the effectiveness of World Education Inc. assistance to the Diocese, and the degree to which the Diocese Integrated Rural Development Program and the Parish-based development committee have benefitted from training, improved technical support in agriculture plus management and availability of small grants and loans for income generating project.	PD6S 15	15	
<u>Centrally Funded</u>								
698-0407.30 IRT - Water Supply, Sololo Dams	-	3	4	-	PACD = 03/84  The purpose of this IRT project is to demonstrate a rural technology for water treatment and simple conventional delivery methods to improve the quality and quantity of water. The end-of-project evaluation will include on-site inspection of the facilities and effectiveness of the technology and management of the facilities by the people.	PD6S 10	5	

\* Date different from  
FY 83-84 Evaluation Plus.

TABLE VIII - FY 1983

ORGANIZATION USAID/KENYA

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>U.S. DIRECT HIRE</u>	U100		2,313.7		2,313.7	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	1,483.8		1,483.8	32
PT/TEMP U.S. BASIC PAY	U102	112				
DIFFERENTIAL PAY	U103	116				XXXXX
OTHER AID/W FUNDED O.C 11	U104	119				XXXXX
OTHER MISSION FUNDED O.C 11	U105	119	5.1		5.1	XXXXX
EDUCATIONAL ALLOWANCES	U106	126	152.4		152.4	30
RETIREMENT - U.S.	U107	120	121.1		121.1	XXXXX
LIVING ALLOWANCES	U108	128				XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	39.3		39.3	XXXXX
OTHER MISSION FUNDED O.C. 12	U110	129	11.0		11.0	XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	71.4		71.4	19
POST ASSIGNMENT - FREIGHT	U112	22	205.0		205.0	18
HOME LEAVE - TRAVEL	U113	212	87.9		87.9	21
HOME LEAVE - FREIGHT	U114	22	111.4		111.4	21
EDUCATION TRAVEL	U115	215	12.0		12.0	9
R AND R TRAVEL	U116	215	13.3		13.3	8
ALL OTHER CODE 215 TRAVEL	U117	215				
 <u>FOREIGN NATIONAL DH</u>	U200		260.4		260.4	XXXXX
BASIC PAY	U201	114	238.8		238.8	35.3
OVERTIME, HOLIDAY PAY	U202	115	11.3		11.3	1.7
ALL OTHER CODE 11 - FN	U203	119	.4		.4	XXXXX
ALL OTHER CODE 12 - FN	U204	129	9.9		9.9	XXXXX
BENEFITS FORMER FN PERS	U205	13				XXXXX
 <u>CONTRACT PERSONNEL</u>	U300		204.9		204.9	XXXXX
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113	92.7		92.7	5.2
ALL OTHER U.S. PSC COSTS	U303	255				XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113	112.2		112.2	21
ALL OTHER F.N. PSC COSTS	U305	255				XXXXX
 <u>HOUSING</u>	U400		1,579.8		1,579.8	XXXXX
RENT	U401	235	840.7		840.7	80
UTILITIES	U402	235	105.6		105.6	XXXXX
RENOVATION AND MAINT.	U403	259	96.3		96.3	XXXXX
QUARTERS ALLOWANCE	U404	127				
PURCHASES RES. FURN/EQUIP.	U405	311	258.5		258.5	XXXXX
TRANS./FREIGHT -CODE 311	U406	22	132.2		132.2	XXXXX
SECURITY GUARD SERVICES	U407	254	145.0		145.0	XXXXX
OFFICIAL RESIDENCE ALLOW.	U408	254				XXXXX
REPRESENTATION ALLOWANCE	U409	252	1.5		1.5	XXXXX

TABLE VIII - FY 1983

ORGANIZATION USAID/KENYA

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>OFFICE OPERATIONS</u>	U500		<u>1,485.4</u>		<u>1,485.4</u>	<u>XXXXX</u>
RENT	U501	234	<u>290.1</u>		<u>290.1</u>	<u>XXXXX</u>
UTILITIES	U502	234	<u>13.8</u>		<u>13.8</u>	<u>XXXXX</u>
BUILDING MAINT./RENOV.	U503	259	<u>65.0</u>		<u>65.0</u>	<u>XXXXX</u>
OFFICE FURN./EQUIP.	U504	310	<u>250.0</u>		<u>250.0</u>	<u>XXXXX</u>
VEHICLES	U505	312	<u>17.5</u>		<u>17.5</u>	<u>XXXXX</u>
OTHER EQUIPMENT	U506	319	<u>6.0</u>		<u>6.0</u>	<u>XXXXX</u>
TRANSPORTATION/FREIGHT	U507	22	<u>140.8</u>		<u>140.8</u>	<u>XXXXX</u>
COMMUNICATIONS	U508	230	<u>71.6</u>		<u>71.6</u>	<u>XXXXX</u>
SECURITY GUARD SERVICES	U509	254	<u>18.0</u>		<u>18.0</u>	<u>XXXXX</u>
PRINTING	U510	24	<u>8.0</u>		<u>8.0</u>	<u>XXXXX</u>
RIG/II OPERATIONAL TRAVEL	U511	210	<u>120.5</u>		<u>120.5</u>	<u>51</u>
SITE VISITS	U512	210	<u>17.9</u>		<u>17.9</u>	<u>126</u>
INFORMATION MEETINGS	U513	210	<u>5.2</u>		<u>5.2</u>	<u>3</u>
TRAINING ATTENDANCE	U514	210	<u>18.4</u>		<u>18.4</u>	<u>5</u>
CONFERENCE ATTENDANCE	U515	210	<u>4.8</u>		<u>4.8</u>	<u>3</u>
OTHER OPERATIONAL TRAVEL	U516	210	<u>46.4</u>		<u>46.4</u>	<u>12</u>
SUPPLIES AND MATERIAL	U517	26	<u>152.0</u>		<u>152.0</u>	<u>XXXXX</u>
FAAS	U518	257				<u>XXXXX</u>
CONSULTING SERVC - CONT.	U519	259				<u>XXXXX</u>
MGT./PROF. SVCS. - CONT.	U520	259	<u>61.2</u>		<u>61.2</u>	<u>XXXXX</u>
SPEC. STUDIES/ANALYSES CONT.	U521	259				<u>XXXXX</u>
ALL OTHER CODE 25	U522	259	<u>178.2</u>		<u>178.2</u>	<u>XXXXX</u>
TOTAL O.E. BUDGET			<u>5,844.2</u>		<u>5,844.2</u>	<u>XXXXX</u>
RECONCILIATION			<u>1,644.2</u>		<u>1,644.2</u>	<u>XXXXX</u>
OPERATING ALLOWANCE REQUEST			<u>4,200.0</u>		<u>4,200.0</u>	<u>XXXXX</u>

OTHER INFORMATION:

Dollar requirement for local currency costs  
Exchange rate used (as of May 1 1983)

\$2,166.9  
\$1.00 = KShs12.90

TABLE VIII - FY 1984

ORGANIZATION USAID/KENYA

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>U.S. DIRECT HIRE</u>	U100		2,238.7		2,238.7	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	1,527.0		1,527.0	32
PT/TEMP U.S. BASIC PAY	U102	112				
DIFFERENTIAL PAY	U103	116				XXXXX
OTHER AID/W FUNDED O.C 11	U104	119				XXXXX
OTHER MISSION FUNDED O.C 11	U105	119	3.6		3.6	XXXXX
EDUCATIONAL ALLOWANCES	U106	126	165.3		165.3	32
RETIREMENT - U.S.	U107	120	123.0		123.0	XXXXX
LIVING ALLOWANCES	U108	128				XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	40.0		40.0	XXXXX
OTHER MISSION FUNDED O.C. 12	U110	129	8.0		8.0	XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	39.6		39.6	9
POST ASSIGNMENT - FREIGHT	U112	22	124.0		124.0	9
HOME LEAVE - TRAVEL	U113	212	102.0		102.0	22
HOME LEAVE - FREIGHT	U114	22	84.4		84.4	22
EDUCATION TRAVEL	U115	215	10.8		10.8	4
R AND R TRAVEL	U116	215				
ALL OTHER CODE 215 TRAVEL	U117	215	11.0		11.0	6
<u>FOREIGN NATIONAL DH</u>	U200		266.0		266.0	XXXXX
BASIC PAY	U201	114	232.0		232.0	31.0
OVERTIME, HOLIDAY PAY	U202	115	8.0		8.0	
ALL OTHER CODE 11 - FN	U203	119	.5		.5	XXXXX
ALL OTHER CODE 12 - FN	U204	129	10.5		10.5	XXXXX
BENEFITS FORMER FN PERS	U205	13	15.0		15.0	XXXXX
<u>CONTRACT PERSONNEL</u>	U300		257.8		257.8	XXXXX
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113	89.0		89.0	5.2
ALL OTHER U.S. PSC COSTS	U303	255				XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113	168.8		168.8	24.6
ALL OTHER F.N. PSC COSTS	U305	255				XXXXX
<u>HOUSING</u>	U400		1,670.7		1,670.7	XXXXX
RENT	U401	235	906.8		906.8	81.5
UTILITIES	U402	235	137.6		137.6	XXXXX
RENOVATION AND MAINT.	U403	259	104.4		104.4	XXXXX
QUARTERS ALLOWANCE	U404	127	2.0		2.0	.2
PURCHASES RES. FURN/EQUIP.	U405	311	196.3		196.3	XXXXX
TRANS./FREIGHT -CODE 311	U406	22	118.8		118.8	XXXXX
SECURITY GUARD SERVICES	U407	254	200.8		200.8	XXXXX
OFFICIAL RESIDENCE ALLOW.	U408	254	2.0		2.0	XXXXX
REPRESENTATION ALLOWANCE	U409	252	2.0		2.0	XXXXX

TABLE VIII - FY 1984

ORGANIZATION USAID/KENYA

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>OFFICE OPERATIONS</u>	U500		1,717.6		1,717.6	XXXXX
RENT	U501	234	237.9		237.9	XXXXX
UTILITIES	U502	234	18.0		18.0	XXXXX
BUILDING MAINT./RENOV.	U503	259	55.0		55.0	XXXXX
OFFICE FURN./EQUIP.	U504	310	208.8		208.8	XXXXX
VEHICLES	U505	312	34.0		34.0	XXXXX
OTHER EQUIPMENT	U506	319	220.0		220.0	XXXXX
TRANSPORTATION/FREIGHT	U507	22	122.2		122.2	XXXXX
COMMUNICATIONS	U508	230	73.3		73.3	XXXXX
SECURITY GUARD SERVICES	U509	254	25.2		25.2	XXXXX
PRINTING	U510	24	8.0		8.0	XXXXX
RIG/II OPERATIONAL TRAVEL	U511	210	163.0		163.0	62
SITE VISITS	U512	210	40.4		40.4	212
INFORMATION MEETINGS	U513	210	2.8		2.8	2
TRAINING ATTENDANCE	U514	210	26.5		26.5	10
CONFERENCE ATTENDANCE	U515	210	17.2		17.2	7
OTHER OPERATIONAL TRAVEL	U516	210	78.3		78.3	14
SUPPLIES AND MATERIAL	U517	26	138.0		138.0	XXXXX
FAAS	U518	257				XXXXX
CONSULTING SERVC - CONT.	U519	259				XXXXX
MGT./PROF. SVCS. - CONT.	U520	259	56.0		56.0	XXXXX
SPEC. STUDIES/ANALYSES CONT.	U521	259				XXXXX
ALL OTHER CODE 25	U522	259	193.0		193.0	XXXXX
TOTAL O.E. BUDGET			6,150.8		6,150.8	XXXXX
RECONCILIATION			1,690.0		1,690.0	XXXXX
OPERATING ALLOWANCE REQUEST			4,460.8		4,460.8	XXXXX
OTHER INFORMATION:						
Dollar requirement for local currency costs					\$2,356.8	
Exchange rate used (as of May 1 1983)					\$1.00 = KShs12.90	
Estimated Wage Increase - FY 1983 to FY 1984					14%	
Estimated Price Increases - FY 1983 to FY 1984					25%	

TABLE VIII - FY 1985

ORGANIZATION USAID/KENYA

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>U.S. DIRECT HIRE</u>	U100		2,181.7		2,181.7	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	1,524.0		1,524.0	31
PT/TEMP U.S. BASIC PAY	U102	112				
DIFFERENTIAL PAY	U103	116				XXXXX
OTHER AID/W FUNDED O.C 11	U104	119				XXXXX
OTHER MISSION FUNDED O.C 11	U105	119	3.0		3.0	XXXXX
EDUCATIONAL ALLOWANCES	U106	126	176.6		176.6	29
RETIREMENT - U.S.	U107	120	121.0		121.0	XXXXX
LIVING ALLOWANCES	U108	128				XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	39.0		39.0	XXXXX
OTHER MISSION FUNDED O.C. 12	U110	129	2.7		2.7	XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	22.7		22.7	5
POST ASSIGNMENT - FREIGHT	U112	22	63.0		63.0	5
HOME LEAVE - TRAVEL	U113	212	133.7		133.7	35
HOME LEAVE - FREIGHT	U114	22	72.0		72.0	35
EDUCATION TRAVEL	U115	215	14.0		14.0	5
R AND R TRAVEL	U116	215				
ALL OTHER CODE 215 TRAVEL	U117	215	10.0		10.0	5
<u>FOREIGN NATIONAL DH</u>	U200		233.0		233.0	XXXXX
BASIC PAY	U201	114	179.0		179.0	22.0
OVERTIME, HOLIDAY PAY	U202	115	8.0		8.0	1.0
ALL OTHER CODE 11 - FN	U203	119	.5		.5	XXXXX
ALL OTHER CODE 12 - FN	U204	129	9.5		9.5	XXXXX
BENEFITS FORMER FN PERS	U205	13	36.0		36.0	XXXXX
<u>CONTRACT PERSONNEL</u>	U300		326.5		326.5	XXXXX
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113	85.0		85.0	4.9
ALL OTHER U.S. PSC COSTS	U303	255				XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113	241.5		241.5	30.4
ALL OTHER F.N. PSC COSTS	U305	255				XXXXX
<u>HOUSING</u>	U400		1,793.9		1,793.9	XXXXX
RENT	U401	235	969.7		969.7	79.6
UTILITIES	U402	235	146.8		146.8	XXXXX
RENOVATION AND MAINT.	U403	259	141.1		141.1	XXXXX
QUARTERS ALLOWANCE	U404	127	2.0		2.0	.2
PURCHASES RES. FURN/EQUIP.	U405	311	194.1		194.1	XXXXX
TRANS./FREIGHT -CODE 311	U406	22	121.6		121.6	XXXXX
SECURITY GUARD SERVICES	U407	254	214.6		214.6	XXXXX
OFFICIAL RESIDENCE ALLOW.	U408	254	2.0		2.0	XXXXX
REPRESENTATION ALLOWANCE	U409	252	2.0		2.0	XXXXX

TABLE VIII - FY 1985

ORGANIZATION USAID/KENYA

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>OFFICE OPERATIONS</u>	U500		<u>1,683.6</u>		<u>1,683.6</u>	<u>XXXXX</u>
RENT	U501	234	<u>252.8</u>		<u>252.8</u>	<u>XXXXX</u>
UTILITIES	U502	234	<u>23.5</u>		<u>23.5</u>	<u>XXXXX</u>
BUILDING MAINT./RENOV.	U503	259	<u>76.0</u>		<u>76.0</u>	<u>XXXXX</u>
OFFICE FURN./EQUIP.	U504	310	<u>114.1</u>		<u>114.1</u>	<u>XXXXX</u>
VEHICLES	U505	312	<u>42.0</u>		<u>42.0</u>	<u>XXXXX</u>
OTHER EQUIPMENT	U506	319	<u>25.0</u>		<u>25.0</u>	<u>XXXXX</u>
TRANSPORTATION/FREIGHT	U507	22	<u>158.7</u>		<u>158.7</u>	<u>XXXXX</u>
COMMUNICATIONS	U508	230	<u>78.8</u>		<u>78.8</u>	<u>XXXXX</u>
SECURITY GUARD SERVICES	U509	254	<u>28.0</u>		<u>28.0</u>	<u>XXXXX</u>
PRINTING	U510	24	<u>9.0</u>		<u>9.0</u>	<u>XXXXX</u>
RIG/II OPERATIONAL TRAVEL	U511	210	<u>176.0</u>		<u>176.0</u>	<u>65</u>
SITE VISITS	U512	210	<u>44.4</u>		<u>44.4</u>	<u>226</u>
INFORMATION MEETINGS	U513	210	<u>3.1</u>		<u>3.1</u>	<u>2</u>
TRAINING ATTENDANCE	U514	210	<u>17.4</u>		<u>17.4</u>	<u>7</u>
CONFERENCE ATTENDANCE	U515	210	<u>15.1</u>		<u>15.1</u>	<u>5</u>
OTHER OPERATIONAL TRAVEL	U516	210	<u>78.7</u>		<u>78.7</u>	<u>14</u>
SUPPLIES AND MATERIAL	U517	26	<u>200.5</u>		<u>200.5</u>	<u>XXXXX</u>
FAAS	U518	257				<u>XXXXX</u>
CONSULTING SERVC - CONT.	U519	259				<u>XXXXX</u>
MGT./PROF. SVCS. - CONT.	U520	259	<u>61.0</u>		<u>61.0</u>	<u>XXXXX</u>
SPEC. STUDIES/ANALYSES CONT.	U521	259				<u>XXXXX</u>
ALL OTHER CODE 25	U522	259	<u>279.5</u>		<u>279.5</u>	<u>XXXXX</u>
TOTAL O.E. BUDGET			<u>6,218.7</u>		<u>6,218.7</u>	<u>XXXXX</u>
RECONCILIATION			<u>1,684.0</u>		<u>1,684.0</u>	<u>XXXXX</u>
OPERATING ALLOWANCE REQUEST			<u>4,534.7</u>		<u>4,534.7</u>	<u>XXXXX</u>

OTHER INFORMATION:

Dollar requirement for local currency costs  
Exchange rate used (as of May 1 1983)

\$2,736.8  
\$1.00 = KShs12.90

Estimated Wage Increase - FY 1984 to FY 1985  
Estimated Price Increases - FY 1984 to FY 1985

16%  
25%

TABLE VIII - FY 1983

(a)

ORGANIZATION RIG/A AND II/NAIROBI

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>U.S. DIRECT HIRE</u>	U100		753.4		753.4	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	530.7		530.7	11
PT/TEMP U.S. BASIC PAY	U102	112				
DIFFERENTIAL PAY	U103	116				XXXXX
OTHER AID/W FUNDED O.C 11	U104	119				XXXXX
OTHER MISSION FUNDED O.C 11	U105	119	2.4		2.4	XXXXX
EDUCATIONAL ALLOWANCES	U106	126	23.3		23.3	5
RETIREMENT - U.S.	U107	120	44.1		44.1	XXXXX
LIVING ALLOWANCES	U108	128				XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	13.8		13.8	XXXXX
OTHER MISSION FUNDED O.C. 12	U110	129	3.5		3.5	XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	14.1		14.1	4
POST ASSIGNMENT - FREIGHT	U112	22	40.0		40.0	4
HOME LEAVE - TRAVEL	U113	212	24.1		24.1	8
HOME LEAVE - FREIGHT	U114	22	44.5		44.5	8
EDUCATION TRAVEL	U115	215	6.7		6.7	5
R AND R TRAVEL	U116	215				
ALL OTHER CODE 215 TRAVEL	U117	215	6.2		6.2	2
 <u>FOREIGN NATIONAL DH</u>	U200		8.1		8.1	XXXXX
BASIC PAY	U201	114	7.8		7.8	1
OVERTIME, HOLIDAY PAY	U202	115				
ALL OTHER CODE 11 - FN	U203	119				XXXXX
ALL OTHER CODE 12 - FN	U204	129	.3		.3	XXXXX
BENEFITS FORMER FN PERS	U205	13				XXXXX
 <u>CONTRACT PERSONNEL</u>	U300		3.7		3.7	XXXXX
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113	2.4		2.4	.2
ALL OTHER U.S. PSC COSTS	U303	255				XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113	1.3		1.3	.2
ALL OTHER F.N. PSC COSTS	U305	255				XXXXX
 <u>HOUSING</u>	U400					XXXXX
RENT	U401	235				
UTILITIES	U402	235				XXXXX
RENOVATION AND MAINT.	U403	259				XXXXX
QUARTERS ALLOWANCE	U404	127				
PURCHASES RES. FURN/EQUIP.	U405	311				XXXXX
TRANS./FREIGHT -CODE 311	U406	22				XXXXX
SECURITY GUARD SERVICES	U407	254				XXXXX
OFFICIAL RESIDENCE ALLOW.	U408	254				XXXXX
REPRESENTATION ALLOWANCE	U409	252				XXXXX

TABLE VIII - FY 1983

(a)

ORGANIZATION RIG A AND II/N

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>OFFICE OPERATIONS</u>	U500		<u>124.9</u>		<u>124.9</u>	<u>XXXXX</u>
RENT	U501	234				<u>XXXXX</u>
UTILITIES	U502	234				<u>XXXXX</u>
BUILDING MAINT./RENOV.	U503	259				<u>XXXXX</u>
OFFICE FURN./EQUIP.	U504	310				<u>XXXXX</u>
VEHICLES	U505	312				<u>XXXXX</u>
OTHER EQUIPMENT	U506	319				<u>XXXXX</u>
TRANSPORTATION/FREIGHT	U507	22				<u>XXXXX</u>
COMMUNICATIONS	U508	230	<u>4.4</u>		<u>4.4</u>	<u>XXXXX</u>
SECURITY GUARD SERVICES	U509	254				<u>XXXXX</u>
PRINTING	U510	24				<u>XXXXX</u>
RIG/II OPERATIONAL TRAVEL	U511	210	<u>120.5</u>		<u>120.5</u>	
SITE VISITS	U512	210				
INFORMATION MEETINGS	U513	210				
TRAINING ATTENDANCE	U514	210				
CONFERENCE ATTENDANCE	U515	210				
OTHER OPERATIONAL TRAVEL	U516	210				
SUPPLIES AND MATERIAL	U517	26				<u>XXXXX</u>
FAAS	U518	257				<u>XXXXX</u>
CONSULTING SERVC - CONT.	U519	259				<u>XXXXX</u>
MGT./PROF. SVCS. - CONT.	U520	259				<u>XXXXX</u>
SPEC. STUDIES/ANALYSES CONT.	U521	259				<u>XXXXX</u>
ALL OTHER CODE 25	U522	259				<u>XXXXX</u>
<b>TOTAL O.E. BUDGET</b>			<u>890.1</u>		<u>890.1</u>	<u>XXXXX</u>
<b>RECONCILIATION</b>			<u>588.6</u>		<u>588.6</u>	<u>XXXXX</u>
<b>OPERATING ALLOWANCE REQUEST</b>			<u>301.5</u>		<u>301.5</u>	<u>XXXXX</u>

**OTHER INFORMATION:**

Dollar requirement for local currency costs  
Exchange rate used (as of May 1 1983)

\$13.8  
\$1.00 = KShs12.90

TABLE VIII - FY 1984

(a)

ORGANIZATION RIG/A AND II/NAIROBI

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>U.S. DIRECT HIRE</u>	U100		706.5		706.5	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	546.0		546.0	
PT/TEMP U.S. BASIC PAY	U102	112				
DIFFERENTIAL PAY	U103	116				XXXXX
OTHER AID/W FUNDED O.C 11	U104	119				XXXXX
OTHER MISSION FUNDED O.C 11	U105	119				XXXXX
EDUCATIONAL ALLOWANCES	U106	126	10.7		10.7	2
RETIREMENT - U.S.	U107	120	44.0		44.0	XXXXX
LIVING ALLOWANCES	U108	128	14.0		14.0	XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129				XXXXX
OTHER MISSION FUNDED O.C. 12	U110	129	1.0		1.0	XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	3.4		3.4	1
POST ASSIGNMENT - FREIGHT	U112	22	9.6		9.6	1
HOME LEAVE - TRAVEL	U113	212	31.6		31.6	8
HOME LEAVE - FREIGHT	U114	22	32.4		32.4	8
EDUCATION TRAVEL	U115	215	10.8		10.8	4
R AND R TRAVEL	U116	215				
ALL OTHER CODE 215 TRAVEL	U117	215	3.0		3.0	1
<u>FOREIGN NATIONAL DH</u>	U200		9.5		9.5	XXXXX
BASIC PAY	U201	114	9.0		9.0	1
OVERTIME, HOLIDAY PAY	U202	115				
ALL OTHER CODE 11 - FN	U203	119				XXXXX
ALL OTHER CODE 12 - FN	U204	129	.5		.5	XXXXX
BENEFITS FORMER FN PERS	U205	13				XXXXX
<u>CONTRACT PERSONNEL</u>	U300		16.0		16.0	XXXXX
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113	10.0		10.0	.8
ALL OTHER U.S. PSC COSTS	U303	255				XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113	6.0		6.0	.6
ALL OTHER F.N. PSC COSTS	U305	255				XXXXX
<u>HOUSING</u>	U400					XXXXX
RENT	U401	235				
UTILITIES	U402	235				XXXXX
RENOVATION AND MAINT.	U403	259				XXXXX
QUARTERS ALLOWANCE	U404	127				
PURCHASES RES. FURN/EQUIP.	U405	311				XXXXX
TRANS./FREIGHT -CODE 311	U406	22				XXXXX
SECURITY GUARD SERVICES	U407	254				XXXXX
OFFICIAL RESIDENCE ALLOW.	U408	254				XXXXX
REPRESENTATION ALLOWANCE	U409	252				XXXXX

TABLE VIII - FY 1984

(a)

ORGANIZATION RIG/A AND II NAIROBI

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>OFFICE OPERATIONS</u>	U500		<u>167.8</u>		<u>167.8</u>	<u>XXXXX</u>
RENT	U501	234				<u>XXXXX</u>
UTILITIES	U502	234				<u>XXXXX</u>
BUILDING MAINT./RENOV.	U503	259				<u>XXXXX</u>
OFFICE FURN./EQUIP.	U504	310				<u>XXXXX</u>
VEHICLES	U505	312				<u>XXXXX</u>
OTHER EQUIPMENT	U506	319				<u>XXXXX</u>
TRANSPORTATION/FREIGHT	U507	22				<u>XXXXX</u>
COMMUNICATIONS	U508	230	<u>4.8</u>		<u>4.8</u>	<u>XXXXX</u>
SECURITY GUARD SERVICES	U509	254				<u>XXXXX</u>
PRINTING	U510	24				<u>XXXXX</u>
RIG/II OPERATIONAL TRAVEL	U511	210	<u>163.0</u>		<u>163.0</u>	<u>65</u>
SITE VISITS	U512	210				
INFORMATION MEETINGS	U513	210				
TRAINING ATTENDANCE	U514	210				
CONFERENCE ATTENDANCE	U515	210				
OTHER OPERATIONAL TRAVEL	U516	210				
SUPPLIES AND MATERIAL	U517	26				<u>XXXXX</u>
FAAS	U518	257				<u>XXXXX</u>
CONSULTING SERVC - CONT.	U519	259				<u>XXXXX</u>
MGT./PROF. SVCS. - CONT.	U520	259				<u>XXXXX</u>
SPEC. STUDIES/ANALYSES CONT.	U521	259				<u>XXXXX</u>
ALL OTHER CODE 25	U522	259				<u>XXXXX</u>
TOTAL O.E. BUDGET			<u>899.8</u>		<u>899.8</u>	<u>XXXXX</u>
RECONCILIATION			<u>604.0</u>		<u>604.0</u>	<u>XXXXX</u>
OPERATING ALLOWANCE REQUEST			<u>295.8</u>		<u>295.8</u>	<u>XXXXX</u>

OTHER INFORMATION:

Dollar requirement for local currency costs  
Exchange rate used (as of May 1 1983)

\$20.3  
\$1.00 = KShs12.90

Estimated Wage Increase - FY 1983 to FY 1984  
Estimated Price Increases - FY 1983 to FY 1984

14%  
25%

TABLE VIII - FY 1985

(a)

ORGANIZATION RIG/A AND II/NAIROBI

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>U.S. DIRECT HIRE</u>	U100		723.0		723.0	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	562.0		562.0	11
PT/TEMP U.S. BASIC PAY	U102	112				
DIFFERENTIAL PAY	U103	116				XXXXX
OTHER AID/W FUNDED O.C 11	U104	119				XXXXX
OTHER MISSION FUNDED O.C 11	U104	119				XXXXX
EDUCATIONAL ALLOWANCES	U106	126	16.8		16.8	3
RETIREMENT - U.S.	U107	120	45.0		45.0	XXXXX
LIVING ALLOWANCES	U108	128				XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	14.0		14.0	XXXXX
OTHER MISSION FUNDED O.C. 12	U110	129	1.0		1.0	XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	8.1		8.1	2
POST ASSIGNMENT - FREIGHT	U112	22	22.1		22.0	2
HOME LEAVE - TRAVEL	U113	212	18.2		18.2	8
HOME LEAVE - FREIGHT	U114	22	20.0		20.0	8
EDUCATION TRAVEL	U115	215	10.8		10.8	4
R AND R TRAVEL	U116	215				
ALL OTHER CODE 215 TRAVEL	U117	215	5.0		5.0	2
 <u>FOREIGN NATIONAL DH</u>	U200		9.5		9.5	XXXXX
BASIC PAY	U201	114	9.0		9.0	1.0
OVERTIME, HOLIDAY PAY	U202	115				
ALL OTHER CODE 11 - FN	U203	119				XXXXX
ALL OTHER CODE 12 - FN	U204	129	.5		.5	XXXXX
BENEFITS FORMER FN PERS	U205	13				XXXXX
 <u>CONTRACT PERSONNEL</u>	U300		8.5		8.5	XXXXX
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113	6.0		6.0	.7
ALL OTHER U.S. PSC COSTS	U303	255				XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113	2.5		2.5	.3
ALL OTHER F.N. PSC COSTS	U305	255				XXXXX
 <u>HOUSING</u>	U400					XXXXX
RENT	U401	235				
UTILITIES	U402	235				XXXXX
RENOVATION AND MAINT.	U403	259				XXXXX
QUARTERS ALLOWANCE	U404	127				
PURCHASES RES. FURN/EQUIP.	U405	311				XXXXX
TRANS./FREIGHT -CODE 311	U406	21				XXXXX
SECURITY GUARD SERVICES	U407	254				XXXXX
OFFICIAL RESIDENCE ALLOW.	U408	254				XXXXX
REPRESENTATION ALLOWANCE	U409	252				XXXXX

TABLE VIII - FY 1985

(a)

ORGANIZATION RIG/A AND II/NAIROBI

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNCLS</u>
<u>OFFICE OPERATIONS</u>	U500		181.0		181.0	XXXXX
RENT	U501	234				XXXXX
UTILITIES	U502	234				XXXXX
BUILDING MAINT./RENOV.	U503	259				XXXXX
OFFICE FURN./EQUIP.	U504	310				XXXXX
VEHICLES	U505	312				XXXXX
OTHER EQUIPMENT	U506	319				XXXXX
TRANSPORTATION/FREIGHT	U507	22				XXXXX
COMMUNICATIONS	U508	230	5.0		5.0	XXXXX
SECURITY GUARD SERVICES	U509	254				XXXXX
PRINTING	U510	24				XXXXX
RIG/II OPERATIONAL TRAVEL	U511	210	176.0		176.0	65
SITE VISITS	U512	210				
INFORMATION MEETINGS	U513	210				
TRAINING ATTENDANCE	U514	210				
CONFERENCE ATTENDANCE	U515	210				
OTHER OPERATIONAL TRAVEL	U516	210				
SUPPLIES AND MATERIAL	U517	26				XXXXX
FAAS	U518	257				XXXXX
CONSULTING SERVC - CONT.	U519	259				XXXXX
MGT./PROF. SVCS. - CONT.	U520	259				XXXXX
SPEC. STUDIES/ANALYSES CONT.	U521	259				XXXXX
ALL OTHER CODE 25	U522	259				XXXXX
TOTAL O.E. BUDGET			922.0		922.0	XXXXX
RECONCILIATION			621.0		621.0	XXXXX
OPERATING ALLOWANCE REQUEST			301.0		301.0	XXXXX

OTHER INFORMATION:

Dollar requirement for local currency costs  
Exchange rate used (as of May 1 1983)

\$17.0  
\$1.00 = KShs12.90

Estimated Wage Increase - FY 1984 to FY 1985  
Estimated Price Increases - FY 1984 to FY 1985

16%  
25%

Table VIII - Operating Expense Narrative

Section A: Management Improvements

USAID/Kenya plans to continue current efforts to hold down costs related to the operating expense budget and to further improve management through: (a) increased automation; (b) training; and (c) position management.

Office Automation

Since the installation of Wang equipment in Nairobi, in 1982 the Mission has experienced major savings in staff time through the use of word processing and development of a variety of computer applications for functions which formerly had been done manually. In most instances, time savings of from sixty per cent (60%) to seventy percent (70%) have been realized. The proposed expansion of the existing system is discussed in detail in Section VIII - (a) and (b).

Position Management

In order to accommodate AID/Washington-mandated reductions in positions USAID/Kenya will enter into a labor force contract to provide for most of the clerical staff and related non-professional personnel required to provide effective support to administrative and program functions. In addition, selective PSC's of varying durations will be used to meet operational needs. The savings to the Mission from this approach will come through reduction in the amount of staff time required for personnel management.

Training

The Mission will continue to expand the expertise of both FSN and American staffs through training programs to increase the efficiency of staff and further broaden its professional experience. Three (3) employees in the Executive Office will receive additional formal training during FY 1984. In the technical offices, senior FSN's will attend the project implementation course, the project design course and any similar offerings as they become available. American direct-hire staff will be attending the same courses in order to increase their skills in project implementation and design. Further, in order to raise the level of computer literacy in the Mission, attention will be given to computer-related training through after-hours programs in Nairobi and courses in the U.S.

Table VIII(a) & VIII(b)

I. Automatic Data Processing Narrative

For the past year, USAID/K and RFMC have undertaken an intensive program to develop the use of data processing. The AID Organizations in Kenya have available to them one Wang VS-80 used to handle many of the data processing needs, as well as a certain amount of word processing (see below) and one Wang WP 25 which will shortly be replaced by a Wang OIS-140. Current projections are to upgrade the VS-80 central processing unit to a Wang VS-100, in order to expand the number of terminals to avoid congestion on the system. This up-grading will be required by early FY-1985, because slow-down in the response time on the VDU's is already apparent with only about forty percent (40%) of the anticipated Mission Automated System (MACS) data inputs on line. For this upgrade to be online in FY-1985, funding will have to be provided in FY 1984 to allow for production and shipping delays. In addition, the Mission plans to use microcomputers to augment DP capacity for USAID, RHUDO and REDSO officers.

With respect to the use of microcomputers many software applications are only available for microcomputers and can be acquired inexpensively. Furthermore, with micros as well as minis available the spread of computer familiarity is expected to be greater than would be the case with the Wang system alone. The fact that many officers now have privately-owned micros, is a major factor underlying this belief. There will be increased efficiency if officers can use microcomputers at the office that are compatible with each other and with the larger Wang system.

Over the long-term, the Mission has set a target ratio of terminals to users of about two-to-one (2.5 to 1). Applications already in use show that there will be a major savings in time as well as an increase in accuracy when data processing is used. Present and planned uses include the MACS, statistical analysis, property management, financial analysis, budgeting process, cable tracking, document cataloging and filing system, inventory management, automated billing procedures, library listings, project listings for all donor projects in Kenya and a personnel data-base.

Implementation of AID/Kenya office automation has been affected by the fact that hardware requirements and major system development have received greater emphasis to the detriment of training, system management questions and design of means to introduce systems in manner that will ensure a rapid transition from manual to automated operations.

## II. Word Processing

In conjunction with the data processing applications using the VS-80 and microcomputers AID/K is firmly committed to rapid expansion of its word processing capacity. The current Wang 25 system will be upgraded to an OIS-140, in order to reduce WP congestion on the VS-80 system. We do not anticipate further expansion of the OIS-WP system, through 1985 -- any increase in the availability of WP stations will come through planned expansion of the VS system. After a year's experience with the WP the Mission finds not only that the regular WP applications have increased the efficiency of all departments, but applications using form-letters, "merge", and "glossary" functions, have aided productivity immensely.

Once again, the major issue is that of training and the Mission's initial inability to provide an independent training program that would allow the operator(s) to learn in the proper atmosphere and to consolidate new skills, once he/she returns to their job. With greater familiarity with WP the officer staff will begin to draft much of their initial work using this equipment. In time, greater efficiencies in officer and support staff time will result.

## III. Financing

The expansion of DP and WP operations will be financed in the following manner: (a) RFMC will purchase the central processing unit for the VS-100; (b) USAID/K, on behalf of all members of the Kenya complex, will purchase additional terminals, printers and other ancillary equipment for the VS-100 during the 2nd quarter of FY 1984 and will acquire additional microcomputers in the period FY 1984.

Section B: Justification for Funding Changes

The AID/Kenya complex over the past three years has had sufficient funds in the Operating Expense budget to maintain a planned program of support services for the approximately 80 US direct hire and PASA contractors and their families and an equal number foreign service national employees. This has been accomplished, even though the Operating Expense budget allotment has been reduced below the requested amount by: (a) stretching the replacement life cycles for office and residential furniture and equipment and (b) improving management of AID OE budget by use of automation in budget planning and monitoring. In addition progressive devaluation of the Kenyan Shilling since FY 1980 from 7.3 Shilling to the Dollar to the present rate of 12.9 Shillings has enabled the Mission to keep up with escalating rents and FSN salary costs.

Through continued belt tightening and improved management practices, USAID proposes to hold the C.E. budget in FY 1984 and FY 1985 to less than 10% total increase each year. Projections are based on an annual estimated inflation rate in Kenya of approximate 25% and no further devaluation of the shilling which is now close to its foreign exchange equivalent.

A major expenditure in the FY 1984 budget will be the purchase of a new telephone system for the AID complex. The Regional Communication Program Office (RCPO) attached to the American Embassy has advised us that the existing PBXA phone system should remain operable for another 18 months. Approximately \$200,000 is required for non-recurring procurement by the end of the third quarter of FY 1984 to purchase a "Dimension 400" PBX system. This system will provide 150 stations and 20 city trunk lines with ancillary equipment.

Another investment planned for FY 1984, for new microcomputer hardware is discussed in the Table VIII A 3 Narrative.

As the Foreign Service National ceiling is reduced in FY 1984 through FY 1986 FSN employees will be put on Personal Service Contracts. Therefore, by FY 1985, the FSN personal services contract budget will be increased to support 13 FSN contracts above the FY 1983 level.

No major ADP expenditures will be required in FY 1985.

TABLE VIII(a)  
OBLIGATIONS FOR ADP SYSTEMS  
( \$000 )

	-----Fiscal Year-----		
	1983	1984	1985
<b>A. <u>Capital Investments</u></b>			
1. Purchase of ADP Equipment	12,500	128,900	51,950
2. Purchase of Software	13,220	38,000	10,000
Subtotal	25,720	166,900	61,950
<b>B. <u>Personnel</u></b>			
1. Compensation, Benefits, Travel	000	000	000
2. Workyears	000	000	000
Subtotal	000	000	000
<b>C. <u>Equipment Rental and Other</u></b>			
<u>Operating Costs</u>			
1. ADP Equipment (ADPE) Rentals	000	000	000
2. Supplies and Leased Software	000	000	000
Subtotal	000	000	000
<b>D. <u>Commercial Services</u></b>			
1. ADP Service Bureau	000	000	000
2. Systems Analysis and Programing	000	000	000
3. ADPE Maintenance (If separate from item C.1.)	1,500	24,500	31,700
Subtotal	1,500	24,500	31,700
<b>E. <u>Total Obligations (A-D)</u></b>	27,220	191,400	93,650
<b>F. <u>Interagency Services</u></b>			
1. Payments	000	000	000
2. Offsetting Collections	000	000	000
Subtotal	000	000	000
<b>G. <u>Grand Total (E+F)</u></b>	27,220	191,400	93,650
Amount included in <u>Mission allowance</u> for existing systems	000	1,500	14,500
Amount included in <u>Mission allowance</u> for new/expanded systems	27,220	189,900	69,150

TABLE VIII(b)  
OBLIGATIONS FOR WP SYSTEMS  
(\$000)

	-----Fiscal Year-----		
	1983	1984	1985
A. Capital Investments in W/P Equipment	129,500	000	000
B. W/P Equipment Rental and Supplies	32,000	28,000	28,000
C. Other W/P Costs			
Total	161,500	28,000	28,000
Amount included in <u>Mission allowance for existing systems</u>	61,000	28,000	28,000
Amount included in <u>Mission allowance for new/expanded systems</u>	100,500	000	000

1. Table IX - Narrative:

A. Workforce Summary:

For U.S. Direct Hire personnel in FY 1984 the Africa Bureau has allocated 22 full time Mission specific and 4 IDI positions for USAID/Kenya. (See Table IX A 2). The allocation for Foreign National employees is 30 permanent positions and 1 part-time position. Since 1980 USDH positions have been reduced from 30 to 22, and FSN positions from 47 to 30.

The Africa Bureau proposed levels of 22 USDH and 4 IDI are very close to the staffing requirements of this Mission in terms of numbers, but the mix is wrong. Although senior managers in Nairobi are unanimous in their support for the IDI program and the excellence of the IDI's as a group, we are skeptical that the Agency will be able to field the IDI's when indicated. Furthermore, the Mission will not be able to properly train this number and devote adequate staff time to managing our regular portfolio. This situation would be compounded by FY 1986 when the 8 IDI's proposed in FY 1984 and 1985 finish their formal training program, enter the regular staff, and are replaced by 3 new IDI's. At that point 42% of our staff would be "new" to the Agency and agency procedures; a clearly unworkable situation.

For the planning period FY 1984 - 1987 USAID/Kenya plans an expansion of the program which in 1986 will be 2.45 times larger than FY 83. The Mission projects Personnel requirements to remain at FY 1983 levels in order to design and implement the expanded program in a manner consistent with good management principles and recent A.I.D. policy initiatives emphasizing economic analysis, host country policy change, private sector initiatives, and technology transfers. Staff economists will be necessary to investigate and analyse the Kenyan scene in order to incorporate USAID strategy and policy initiatives into the program planning and project design process.

Therefore, in order to design and implement the proposed mission program we intend to continue to use the 22 positions, plus 4 over-programmed positions allocated to USAID/K and one IDI to meet our goals. The mission staffing proposal is as follows: (See Table IX (A) 1 for further detail)

	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
USDH	22.7	25.3	26	24.1
USDH Positions	( 25 )	( 26 )	( 26 )	( 26 )
IDI	-	1	1	1
FSNDH	34	30	21	18
FSN Part Time	2	1	1	1
PSC	22	26	35	38

Included in the USAID/Kenya workforce levels is the Executive Office which provides administrative support for the five agency components, PASA employees, and long term personal services contractors located in Nairobi. This office also assists the USAID's in Somalia, Tanzania and Uganda with procurement, transport, customs, and medical support. The Executive Office supports direct hire and contractor personnel as detailed in the following Table:

PERSONNEL SUPPORTED FROM USAID/K OE BUDGET

<u>USAID/Kenya</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
USDH Positions	( 26 )	( 26 )	( 26 )	( 25 )
IDI	-	1	1	1
Part Time	1	1	1	1
FSNDH	34	30	21	18
Local PSC	<u>22</u>	<u>26</u>	<u>35</u>	<u>38</u>
	<u>82</u>	<u>81</u>	<u>81</u>	<u>80</u>
<u>RHUDO/ESA:</u>				
USDH	5	5	5	5
FSNDH	2	2	2	2
American PSC	<u>5</u>	<u>6</u>	<u>6</u>	<u>4</u>
	<u>12</u>	<u>13</u>	<u>13</u>	<u>11</u>
<u>RIG/A/N-RIG/II/N:</u>				
USDH	11	11	11	11
FSNDH	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
	<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>
<u>REDSO/ESA:</u>				
USDH	30	30	30	30
FSNDH	8	8	8	6
American PSC	6	6	6	6
Local PSC	<u>5</u>	<u>6</u>	<u>6</u>	<u>8</u>
	<u>49</u>	<u>50</u>	<u>50</u>	<u>50</u>
<u>RFMC/N:</u>				
USDH	6	5	5	5
FSNDH	22	22	22	22
American PSC	1	1	1	1
Local PSC	<u>1</u>	<u>14</u>	<u>14</u>	<u>14</u>
	<u>30</u>	<u>42</u>	<u>42</u>	<u>42</u>
<u>PASA:</u>	<u>7</u>	<u>7</u>	<u>-</u>	<u>-</u>
<u>GRAND TOTAL</u>	<u>192</u>	<u>205</u>	<u>198</u>	<u>195</u>

The budget requested in Table VIII reflects the workmonths allocated by AID/W.

Effect of a 10% Reduction:

The effect a 10% reduction in staff would force USAID/Kenya to cut its support staff primarily in Secretarial, Communications and Records, and General Services in order to maintain the current program level with a reduced staff. (See Table IX A (3)). These three functional areas are absolutely essential to AID/Kenya operations and would need to be covered through Personal Services Contractors (PSC). The immediate effect of such a reduction would be an initial drop in support levels to the 205 people supported by the Executive Office; mission morale would suffer. Recent improvements in management support would also be a casualty. Support services would be subject to swings in quality as PSC personnel depart and new, inexperienced replacements were recruited and trained. The attention of senior managers would need to be more frequently focused on support matters than is the case now. Executive Office support to surrounding missions would have to cease.

TABLE IX (A) 1 SUPPLEMENT

USAID/KENYA ABSOLUTE REQUIREMENTS FOR PERSONNEL STAFFING

Director's Office (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	011	Mission Director	1	1	1	1
2	012	Deputy Mission Director	1	1	1	1
3	050	Secretary	1	1	1	1

Program Office (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	023	Program Officer	.5	1	1	1
2	023	Asst. Program Officer	1	1	1	1
3	024	Program Economist	1	1	1	1
4	050	Secretary	1	1	1	1

Executive Office (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	031	Executive Officer	1	1	1	1
2	031	Dep. Executive Officer	1	1	1	1
3	033	Personnel Officer	1	1	1	1
4	060	General Services Off.	1	1	1	1
5	072	Comm/Rec. Supv.	1	1	1	1

TABLE IX (A) 1 SUPPLEMENT

USAID/KENYA ABSOLUTE REQUIREMENTS FOR PERSONNEL STAFFING CONTD.

Agriculture Office (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	103	Agric. Dev. Off.	1	1	1	1
2	103	Dep. Agric. Dev. Off.	1	1	1	1
3	101	Agric. Economist	1	1	1	1
4	101	IDI (Agric. Dev.)	1	1	1	1
5	107	Dryland Agric/Livestock	1	.9	1	1
6.	100	Agric. Research	.2	1	1	1
7	100	Agric. Business	.8	1	1	1

Projects Office (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	940	Project Dev. Off.	1	1	1	1
2	940	Asst. Proj. Dev. Off.	1	1	1	1
3	940	Prj. Mgr/Social Scientist	1	1	1	1
4	940	Asst. Prj. Dev. Off. Private Sector	-	1	1	1
5	251	Gen. Engineering Off.	1	1	1	1

Health Nutrition & Population (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	501	Health Dev. Off.	1	1	1	1
2	502	Asst. Health Dev. Off.	.9	1	1	1
3	550	Population Officer	1	1	1	1

TABLE IX (A) 2

PERSONNEL PROJECTIONS BASED ON AFRICA BUREAU PROPOSED LEVELS

Director's Office (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	011	Mission Director	1	1	1	1
2	012	Deputy Mission Director	1	1	1	1
3	050	Secretary	1	1	1	1

Program Office (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	023	Program Officer	.5	1	1	1
2	023	Asst. Program Officer	1	1	1	1
3	024	Program Economist	1	1	1	1
4	050	Secretary	1	1	1	1

Executive Office (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	031	Executive Officer	1	1	1	1
2	031	Dep. Executive Officer	1	1	1	1
3	033	Personnel Officer	1	1	1	1
4	060	Gen. Services Off.	1	0	0	0
	060	IDI, Management	0	1	1	1
5	072	Comm/Rec. Supv.	1	1	1	1

TABLE IX (A) 2 CONTD.

PERSONNEL PROJECTIONS BASED ON AFRICA BUREAU PROPOSED LEVELS

Agriculture Office (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	103	Agric. Dev. Off.	1	1	1	1
2	103	Dep. Agric. Dev. Off.	1	1	1	1
3	101	Agric. Economist	1	1	1	1
4	101	IDI (Agric. Dev.)	1	1	1	1
5	107	Dryland Agric/Livestock	1	.9	1	1
6	100	Agric. Research	.2	1	1	1
7	100	Agric. Business	.8	1	1	1

Projects Office (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	940	Project Dev. Off.	1	1	1	1
2	940	Asst. Proj. Dev. Off.	1	1	1	1
3	940	Prj. Mgr/Social Scientist	1	1	1	1
4	940	Asst. Prj. Dev. Off. Private Sector	-	1	1	1
5	251	Civil Engineer	1	0	0	0
	251	IDI Engineer	0	1	1	1

Health Nutrition & Population (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	501	Health Dev. Off.	1	1	1	1
12	502	Asst. Health Dev. Off.	.9	1	1	1
3	550	Population Officer	1	0	0	0
	550	IDI Population	0	1	1	1

TABLE IX (A) 3

PROPOSED 10% REDUCTION IN USAID/K STAFF LEVELS

Director's Office (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	011	Mission Director	1	1	1	1
2	012	Deputy Mission Director	1	1	1	1
3	050	Secretary	1	1	1	1

Program Office (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	023	Program Officer	.5	1	1	1
2	023	Asst. Program Officer	1	1	1	1
3	024	Program Economist	1	1	1	1
4	050	Secretary	1	1	1	1 *

Executive Office (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	031	Executive Officer	1	1	1	1
2	031	Dep. Executive Officer	1	1	1	1
3	033	Personnel Officer	1	1	1	1
4	060	IDI Management	0	1	1	1
5	072	Comm/Rec. Supv.	1	1	1	1 *

TABLE IX (A) 3

PROPOSED 10% REDUCTION IN USAID/K STAFF LEVELS CONTD.

Agriculture Office (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	103	Agric. Dev. Off.	1	1	1	1
2	103	Dep. Agric. Dev. Off.	1	1	1	1
3	101	Agric. Economist	1	1	1	1
4	101	IDI (Agric. Dev.)	0	1	1	1
5	107	Dryland Agric/Livestock	1	.9	1	1
6	100	Agric. Business	.8	1	1	1

Projects Office (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	940	Project Dev. Off.	1	1	1	1
2	940	Asst. Proj. Dev. Off.	1	1	1	1
3	940	Prj. Mgr/Social Scientist	1	1	1	1
4	940	Asst. Prj. Dev. Off. Private Sector	-	1	1	1
5	251	IDI Engineer	0	1	1	1

Health Nutrition & Population (USDH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	501	Health Dev. Off.	1	1	1	1
2	502	Asst. Health Dev. Off.	.9	1	1	1
3	550	IDI Population	0	1	1	1

TABLE IX (A) 4

RIG/A/N (USDH) STAFFING LEVELS

<u>1</u> <u>NO</u>	<u>SKILL</u> <u>CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	082	Reg. Inps. Gen./Audit	1	1	1	1
2	082	D/" " " "	1	1	1	1
3	082	Reg./Insp.Gen.Invstg.	1	1	1	1
4	081	Audit Manager	1	1	1	1
5	081	Audit Manager	1	1	1	1
6	081	Auditor	1	1	1	1
7	081	Auditor	1	1	1	1
8	081	Management Auditor	1	1	1	1
9	081	Auditor	.9	1	1	1
10	081	Auditor	1	1	1	1
11	050	Secretary	1	1	1	1

TABLE IX (A) 5

10% REDUCTION IN RIG/A/N (USDH) STAFFING LEVELS \*

<u>1</u> <u>NO</u>	<u>SKILL</u> <u>CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	082	Reg. Inps. Gen./Audit	1	1	1	1
2	082	D/" " " "	1	1	1	1
3	082	Reg./Insp.Gen.Invstg.	1	1	1	1
4	081	Audit Manager	1	1	1	1
5	081	Audit Manager	1	1	1	1
6	081	Auditor	1	1	1	1
7	081	Auditor	1	1	1	1
8	081	Management Auditor	1	1	1	1
9	081	Auditor	.9	1	1	1
10	081	Auditor	1	1	1	1
11	050	Secretary	1	1	1	1

\* In order to meet the 10% reduction proposed by AID/W, one position would be identified through consultations with IG/Washington.

TABLE IX (B)

USAID/KENYA FSN (DH) \*

Director's Office

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	050	Clerk Typist	1	1	1	1

Program Office

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	024	Program Economist	1	1	1	1
2	020	Budget Analyst	1	1	1	1
3	050	Secretary	.4	-	-	-

Executive Office

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	050	Secretary	1	1	1	1
2	050	Secretary	1	1	1	1
3	070	Recep./Switchboard	1	1	1	1
4	030	Personnel Specialist	1	1	1	1
5	030	Personnel Asst.	1	1	1	1
6	070	Dispatcher	1	1	1	1

\* USAID/Kenya will be able to reduce direct hire FSN positions in the future only by the use of other contractual arrangements. This assumes that the contracting for such services is not subject to greater restrictions than under present A.I.D. guidelines. Management will decide which of the 17 positions will be reduced after attrition is known.

TABLE IX (B) CONTD.

USAID/KENYA FSN (DH)

Executive Office

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
7	060	Gen.Services Spec.	1	1	1	1
8	060	Gen.Services Asst.	1	1	1	1
9	060	Gen.Services Asst.	1	1	1	1
10	060	Gen.Services Asst.	1	1	1	1
11	060	Procurement Agent	1	1	1	1
12	060	Procurement Clerk	1	1	1	1
13	060	Shipping Superv.	1	1	1	1
14	060	Customs/Expeditor	1	1	1	1
15	060	Gen.Services Spec.	1	1	1	1
16	060	Warehouse Manager	1	1	1	1
17	060	Storekeeper	1	1	1	1
18	060	Supply Clerk	1	1	1	1
19		Mail/Distr. Asst.	1	1	1	1
20		Mail/Distr. Asst.	1	1	1	1
21		Reproduction Clerk	1	1	1	1
22		General Clerk I	1	1	1	1
23		General Clerk I	1	1	1	1

Executive Office (PT)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	050	Clerk Typist	1	1	1	1

TABLE IX (B) CONTD.

USAID/KENYA FSN (DH)

Agriculture Office

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1		Agric. Mgmt Education	1	1	1	1
2	050	Secretary	1	1	1	1
3	050	Secretary	1	1	1	1
4	050	Secretary	1	1	1	1

Projects Office (FSN)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	250	Engineer	1	1	1	1
2	250	Engineer	1	1	1	1
3		Training Asst.	1	1	1	1
4	050	Secretary	1	1	1	1

Health Nutrition & Population (FSN)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	500	Proj. Asst. Health	1	1	1	1
2	500	Program Clerk	1	1	1	1
3	500	Secretary	1	1	1	1

TABLE IX (B)

RIG/A/N FSN (DH)

<u>NO</u>	<u>SKILL CODE</u>	<u>POSITION</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
1	050	Secretary	1	1	1	1

TABLE IX (c) -- Joint Career Corps Request

Joint Career Corps Request - Narrative

USAID/Nairobi, has supported the concept of the Joint Career Corps since its inception as a mechanism that would link our development activities in Kenya to universities in the U.S. and thus strengthen the relationships of USAID and Kenyan institutions with the American academic community. For some time now, we have planned to request JCC assignments in the area of health and agriculture. However, the U.S. Mission to Nairobi numbers among its components, several regional activities, and as a result the overall American presence in Kenya is unusually high. The Ambassador has taken steps to reduce this presence and several regional offices including AID/Kenya components have been asked to reduce their staffs. In order to meet U.S. policy the MODE ceiling in Nairobi continues to be very carefully managed. USAID/K was faced with the difficult decision as to whether we could cut direct-hire staff in order to accommodate JCC personnel. A careful review has led us to the decision that at this time, the direct-hire staff cannot be reduced. For this reason, USAID cannot continue to request the stationing of Joint Career Corps personnel at this Mission.

Should any of the above conditions change, then we will once again consider implementation of this potentially very useful program.

USAID/Kenya

	UNCLASSIFIED	SECRET	TOTAL	USGTS
	BUDGET	BUDGET	BUDGET	
EASIC PAY				
DIFFERENTIAL PAY				XXXXX
EDUCATION ALLOWANCES				
RETIREMENT				XXXXXX
LIVING ALLOWANCES				XXXXXX
OTHER SALARIES/BENEFITS				XXXXXX
POST ASSIGNMENT - TRAVEL				
POST ASSIGNMENT - FREIGHT				
HOME LEAVE - TRAVEL				
HOME LEAVE - FREIGHT				
EDUCATION TRAVEL				
R AND R TRAVEL				
ALL OTHER CODE 215 TRAVEL				
<u>HOUSING</u>				XXXXXX
RENT				
UTILITIES				XXXXXX
RENOVATION AND MAINT.				XXXXXX
QUARTERS ALLOWANCE				
PURCHASES RES. FURN/EQUIP.				XXXXXX
TRANS./FREIGHT - CODE 311				XXXXXX
SECURITY GUARD SERVICES				XXXXXX
<u>OFFICE OPERATIONS</u>				XXXXXX
OFFICE FURN./EQUIP				XXXXXX
VEHICLES				XXXXXX
OTHER EQUIPMENT				XXXXXX
TRANSPORTATION/FREIGHT				XXXXXX
SITE VISITS				
INFORMATION MEETINGS				
TRAINING ATTENDANCE				
CONFERENCE ATTENDANCE				
OTHER OPERATIONAL TRAVEL				
SUPPLIES AND MATERIALS				XXXXXX
ALL OTHER COSTS				XXXXXX
TOTAL O.E. BUDGET	0	0	0	XXXXXX

USAID/Kenya

	ESTIMATED PERSONNEL	ESTIMATED TRAVEL	ESTIMATED OTHER	TOTAL
BASIC PAY	-----	-----	-----	-----
DIFFERENTIAL PAY	-----	-----	-----	XXXXX
EDUCATION ALLOWANCES	-----	-----	-----	-----
RETIREMENT	-----	-----	-----	XXXXX
LIVING ALLOWANCES	-----	-----	-----	XXXXX
OTHER SALARIES/BENEFITS	-----	-----	-----	XXXXX
POST ASSIGNMENT - TRAVEL	-----	-----	-----	-----
POST ASSIGNMENT - FREIGHT	-----	-----	-----	-----
HOME LEAVE - TRAVEL	-----	-----	-----	-----
HOME LEAVE - FREIGHT	-----	-----	-----	-----
EDUCATION TRAVEL	-----	-----	-----	-----
R AND R TRAVEL	-----	-----	-----	-----
ALL OTHER CODE 215 TRAVEL	-----	-----	-----	-----
<u>HOUSING</u>	-----	-----	-----	XXXXX
RENT	-----	-----	-----	-----
UTILITIES	-----	-----	-----	XXXXX
RENOVATION AND MAINT.	-----	-----	-----	XXXXX
QUARTERS ALLOWANCE	-----	-----	-----	-----
PURCHASES RES. FURN/EQUIP.	-----	-----	-----	XXXXX
TRANS /FREIGHT - CODE 311	-----	-----	-----	XXXXX
SECURITY GUARD SERVICES	-----	-----	-----	XXXXX
<u>OFFICE OPERATIONS</u>	-----	-----	-----	XXXXX
OFFICE FURN./EQUIP	-----	-----	-----	XXXXX
VEHICLES	-----	-----	-----	XXXXX
OTHER EQUIPMENT	-----	-----	-----	XXXXX
TRANSPORTATION/FREIGHT	-----	-----	-----	XXXXX
SITE VISITS	-----	-----	-----	-----
INFORMATION MEETINGS	-----	-----	-----	-----
TRAINING ATTENDANCE	-----	-----	-----	-----
CONFERENCE ATTENDANCE	-----	-----	-----	-----
OTHER OPERATIONAL TRAVEL	-----	-----	-----	-----
SUPPLIES AND MATERIALS	-----	-----	-----	XXXXX
ALL OTHER COSTS	-----	-----	-----	XXXXX
TOTAL O.E. BUDGET	0	0	0	XXXXX

USAID/Kenya

	DOLLAR FUNDED	UNFUND ED	TOTAL BUDGET	UNITS
				XXXXX
BASIC PAY				
DIFFERENTIAL PAY				XXXXX
EDUCATION ALLOWANCES				
RETIREMENT				XXXXX
LIVING ALLOWANCES				XXXXX
OTHER SALARIES/BENEFITS				XXXXX
POST ASSIGNMENT - TRAVEL				
POST ASSIGNMENT - FREIGHT				
HOME LEAVE - TRAVEL				
HOME LEAVE - FREIGHT				
EDUCATION TRAVEL				
R AND R TRAVEL				
ALL OTHER CODE 215 TRAVEL				
<u>HOUSING</u>				XXXXX
RENT				
UTILITIES				XXXXX
RENOVATION AND MAINT.				XXXXX
QUARTERS ALLOWANCE				
PURCHASES RES. FURN/EQUIP.				XXXXX
TRANS./FREIGHT - CODE 311				XXXXX
SECURITY GUARD SERVICES				XXXXX
<u>OFFICE OPERATIONS</u>				XXXXX
OFFICE FURN./EQUIP				XXXXX
VEHICLES				XXXXX
OTHER EQUIPMENT				XXXXX
TRANSPORTATION/FREIGHT				XXXXX
SITE VISITS				
INFORMATION MEETINGS				
TRAINING ATTENDANCE				
CONFERENCE ATTENDANCE				
OTHER OPERATIONAL TRAVEL				
SUPPLIES AND MATERIALS				XXXXX
ALL OTHER COSTS				XXXXX
TOTAL O.E. BUDGET	0	0	0	XXXXX

Table VIII

Section C: Trust Funds

USAID/Kenya does not plan to establish a local currency trust fund during the fiscal years covered by this Annual Budget Submission.

I. Title I - Narrative

The Title I program begun in 1980 in response to a serious decline in cereal production has been supplying about \$15 million per year in wheat, maize and rice. In 1981-82 two good harvests eliminated the need for maize imports, thus in the last two years only wheat and rice were included.

A year ago USAID proposed that the PL 480 Title I program should be phased out by FY 1985 because Kenyan food production has returned to, even exceeded the levels existing prior to initiation of the U.S. food credit program. Kenya had taken steps (increased producer prices, expanded credit, etc.) which resulted in surpluses of maize, beans and sorghum and expanded production of wheat and milk, and USAID had indications that the influx of large quantities of donor financed wheat would serve as a disincentive to local production. It now appears that although incentives such as producer prices have been maintained, structural problems and a shortage of accessible land make it unlikely that the gap of about 140,000 MT of wheat can be closed in the near term. Other donor countries are willing to supply part of the needs. The Title I levels proposed herein will finance 34,000 MT of wheat in FY 84 and 65,000 MT of wheat in FY 1985. These amounts will make a significant contribution in closing the gap. Moreover Kenya does require a hard wheat product to blend with its local wheat for production of breadstuffs, and the United States can supply the preferred hard red winter wheat. The Embassy and USAID have therefore concluded that from FY 1985 an annual program of \$10 million in wheat is appropriate and justifiable for Kenya.

The Embassy and USAID are concerned that the provision of rice by donors which began in 1981 is creating excessive demand for a high cost grain for which scarce foreign exchange resources will have to be allocated in the future and are therefore not recommending further credits for rice.

USAID has attempted to combine Title I and ESF resources for purposes of policy dialogue. These discussions focus on structural economic issues (exchange rate, interest rates, etc.), producer prices, input supplies, market regulation and the supply of support services in the sector. While the food sector has been performing well the last two years the rest of the economy has suffered from a shortage of imported inputs and depressed overseas markets. The result has been reduced revenue and a reduction in both development and recurrent budgets. Under such conditions USAID has agreed to Kenya's disbursement of local currency proceeds from a special account

to finance seasonal credit programs for maize and wheat farmers and proposes to direct future shilling generations to the government's agricultural production programs. (See also FY 1985 CDSS of January 1983 pages 39-40).

USAID will continue to seek policy changes in the areas of free markets, incentive prices, private storage and the establishment of grain security plans and policies. Self-help measures will be related to these policy changes and adequate provision of funds for agriculture credit programs using local currency generations. Measures to limit the scope of the activities of the National Cereals and Produce Board and increase its efficiency will be considered.

## FY 1985 ANNUAL BUDGET SUBMISSION

TABLE XI

P.L. 480 TITLE I/III REQUIREMENTS  
(Dollars in Millions, Tonnage in Thousands)

COMMODITIES	FY 1983		Estimated FY 1984		Projected FY 1985		Carry into FY 1985 \$ MT
	Agreement \$ MT	Shipments \$ MT	Agreement \$ MT	Shipments \$ MT	Agreement \$ MT	Shipments \$ MT	
Title I	15	15	5	5	10	10	
WHEAT	10.9	10.9	5	5	10	10	
RICE	4.1	4.1	34	34	65	65	
							-0-
							-0-
Total							
Of which Title III							
Total							

COMMENT:

FY 1985 ANNUAL BUDGET SUBMISSION

TABLE XII

Country/Office Kenya

PL 480 TITLE I/III

Supply and Distribution  
(000 Metric Ton)

<u>STOCK SITUATION</u>	<u>FY 1984</u>	<u>Estimated FY 1985</u>
Commodity - <u>Wheat</u>		
Beginning Stocks	130	140
Production	220	220
Imports	100	120
Concessional	80	100
Non-Concessional	20	20
Consumption	340	350
Ending Stocks	110	130

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Commodity - \_\_\_\_\_  
Beginning Stocks  
Production  
Imports  
    Concessional  
    Non-Concessional  
Consumption  
Ending Stocks

---

Commodity - \_\_\_\_\_  
Beginning Stocks  
Production  
Imports  
    Concessional  
    Non-Concessional  
Consumption  
Ending Stocks

---

Comment:

FY 1985 ANNUAL BUDGET SUBMISSION

TABLE XIII

PL 480 TITLE II

I. Country KENYA

Sponsor's Name CATHOLIC RELIEF SERVICES & USCC

A. Maternal and Child Health.....Total Recipients 126,500

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>126,500</u>	<u>BULGUR WHEAT</u>	<u>3,036</u>	<u>\$ 759</u>
<u>126,500</u>	<u>NEDM</u>	<u>3,036</u>	<u>334</u>
<u>126,500</u>	<u>VEGETABLE OIL</u>	<u>1,518</u>	<u>1,297</u>
<b>Total MCH</b>		<u>7,590</u>	<u>2,390</u>

B. School Feeding.....Total Recipients 10,000

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>10,000</u>	<u>BULGUR WHEAT</u>	<u>135</u>	<u>34</u>
<u>10,000</u>	<u>CSM</u>	<u>135</u>	<u>32</u>
<u>10,000</u>	<u>VEGETABLE OIL</u>	<u>45</u>	<u>38</u>
<b>Total School Feeding</b>		<u>315</u>	<u>104</u>

C. Other Child Feeding.....Total Recipients 4,000

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>4,000</u>	<u>BULGUR WHEAT</u>	<u>96</u>	<u>24</u>
<u>4,000</u>	<u>CSM</u>	<u>96</u>	<u>23</u>
<u>4,000</u>	<u>VEGETABLE OIL</u>	<u>24</u>	<u>19</u>
<b>Total Other Child Feeding</b>		<u>216</u>	<u>66</u>

D. Food for Work.....Total Recipients 15,000

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>15,000</u>	<u>BULGUR WHEAT</u>	<u>1620</u>	<u>405</u>
<u>15,000</u>	<u>VEGETABLE OIL</u>	<u>122</u>	<u>111</u>
<b>Total Food for Work</b>		<u>1742</u>	<u>516</u>

E. Other (Specify).....Total Recipients 7,000

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>7,000</u>	<u>BURGUR WHEAT</u>	<u>168</u>	<u>42</u>
<u>7,000</u>	<u>NEDM</u>	<u>168</u>	<u>18</u>
<u>7,000</u>	<u>VEGETABLE OIL</u>	<u>84</u>	<u>68</u>
		<u>420</u>	<u>128</u>

TOTAL RECIPIENTS 162,500

TOTAL COMMODITIES

10,283

3,204

500

3,704

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F. MONETIZATION PROJECT

CATHOLIC RELIEF SERVICES - USCC  
KENYA PROGRAM

PL 480 TITLE II OPERATIONAL PLAN  
FY 1985

SUBMITTED BY:

Palmari H. de Lucena  
Program Director  
CRS/Kenya  
P.O. Box 49675  
Nairobi, Kenya

19 May, 1983

CATHOLIC RELIEF SERVICES KENYA: OPERATIONAL PLAN FY 1985

1. ELEMENTS OF OPERATION

A. IDENTIFICATION

1. Catholic Relief Services - USCC, Kenya  
May, 1983
2. Name of Agency Counterparts in Foreign Country
  - a) Ministry of Finance
  - b) Ministry of Economic Planning
  - c) Ministry of Foreign Affairs
  - d) Kenya Episcopal Conference
3. American Citizen Representative

Mr. Palmari H. de Lucena, Program Director  
Catholic Relief Services/Kenya Program  
P.O. Box 49675  
Nairobi, Kenya

Mr. de Lucena is Director of CRS/Kenya and devotes 75% of his time to Title II activities.

Supervisory Staff:

Mrs. Susan Mutungi	- Manager Food & Nutrition Dept.
Mr. Ezra Mbogori	- Projects Manager
Mrs. Helen Kiangi	- Food & Nutrition Supervisor
Mrs. Regina Luusa	- Food & Nutrition Supervisor
Ms. Teresa Obwaya	- Food & Nutrition Supervisor
Mr. Peter Kimeu	- Nursery Feeding Supervisor
Mr. Lawrence Barbieri	- Program Assistant
Mary Anne Mureithi	- Executive Secretary

### Program Overview

Surveys done by the Central Bureau of Statistics and other institutions provide sufficient evidence to show that malnutrition among infants and young children is a widespread nutritional problem in Kenya. Government is concerned with:

Acute nutritional problems associated with famine conditions and chronic deficiencies in the quality and quantity of food available in arid and semi-arid zones, and poor nutrition among low income households, especially rural households with very little or no land and urban families without regular income. It is argued that many farm households concentrating heavily on cash crops have inadequate diets and, therefore, are nutritionally at risk.

Although more than a third of Kenya's economy is agricultural, most of it is committed to producing cash crops for export and non-food commodities. Growth of production of non-foods in the 1970s was much greater than growth of foods, which did not keep up with population growth. A decline in food production per capita is the result. The production per capita of food for consumption by the Kenya population declined still more as the proportion of resources allocated to cash crops, mainly for export, increased. Even small holders now find production of cash crops for export to be more rewarding than food commodities for sale to domestic markets, thus also slowing the growth of Kenya's food production.

It is now generally accepted that nutrition deficiency can be solved by measures which alleviate poverty, since a high correlation exists between malnutrition and the poverty condition. In adopting this view, Kenya's development plan for 1979-83 states:

The Government of Kenya views malnutrition, or inadequate diet as a form of poverty and accordingly insists that it must be studied and handled as a problem of poverty alleviation.

Taking into account that nearly half of Kenya's population are either in poverty or close to it and considering both the trend in food production and the current tight foreign exchange situation, one is led to the conclusion that the need for nutritional assistance among some of Kenya's population will increase over the next few years.

## Program Strategy

CRS/Kenya has began and will continue into FY 1985 to take action to improve its food aid program. The importance of Kenya's economic development, will be given major consideration by designing objectives and organizing activities for increased program consistency and integration geared toward maximum impact upon recipients and their communities from the food commodities which are provided through the PL 480 Title II Program.

The food and nutrition program will concentrate on the most vulnerable or at risk persons within the following categories:

- a) rural subsistence households
- b) the landless - particularly in cash crop intensive areas
- c) destituted pastoralists
- d) the urban poor, both unemployed and underemployed

The main focus will be on the nutrition of children, six to thirty six months old. A child's nutritional status is a reflection of the family's economic well being and nutritional status. The recipients of the program will be households which are described in terms of poverty and fit in the broad categories listed above. CRS/Kenya will provide food aid commodities to targetted households in the household oriented feeding projects, i.e., Mother/Child Health (MCH) and Food For Work (FFW), and retarget the single recipient oriented child feeding projects - i.e. Institutional and Nursery School Feeding.

CRS/Kenya views nutritional improvement as identical to development and as such treats both objectives on equal terms. Based on this understanding, CRS/Kenya will promote the operation of the two household oriented feeding modalities as mutually supportive activities. In this respect, appropriate attention will be given to improving the functioning of MCH centers as they become the 'focus' around which other developmental activities will revolve, once the household begins to become nutritionally stabilized.

As part of the retargeting exercise, a policy of zero-basing will be introduced where all food distribution centers will be required to commit themselves by signature to a new agreement and to renew the commitment, or an amended form, annually. This procedure will be coordinated with a practice of closer and more detailed surveillance on each food and nutrition center, following CRS/Kenya's acquisition and setting up of the

infrastructural support for data collection and processing. It will also be coordinated with a practice to delineate practical requirements for the services and management procedures of a center and other practices to evaluate the performance and to actuate improvement in the services rendered by a food and nutrition center.

### Other Categories

CRS/Kenya will concentrate on efforts to maximize the development impact of the program per unit of expended program effort, directly in terms of the recipients gainful productive activities, acquisition of skills, and dignity. In the other mode, an intensive exercise will be made to minimize program costs per commitment unit of food aid. This mode is already underway and is being institutionalized into the program by means of an improved system of food commodity management and control.

With the purpose of either increasing the total social benefit realized per kilogram of food aid or to reduce the cost of bringing a kilogram of food aid to a recipient, CRS/Kenya will apply the following strategies:

#### 1. Integration

The overall approach to integration will be to establish linkages whenever possible between constituents of the whole CRS/Kenya Title II program. The main directions here are as follows:

- a) Health Services will be supported by intensified efforts to get MCH centers to provide more health services on a regular basis and to be more vigilant in observation and referrals.
- b) Educational aids and promotion will be put into an action program. Focus will be on both MCH and PSCF.
- c) Projects which are integrated into the operation of MCH centers or otherwise linked to MCH centers will be given preference.

#### 2. Control and Cost Effectiveness

Efficiency by cost minimization will be given major attention. CRS/Kenya will continue to analyse its operating systems in this context.

Within this general direction, CRS/Kenya plans to undertake the following specific actions in the different food aid projects during FY 1985:

I. Household Oriented Feeding Projects

Mother/Child Health:

Objective:

- Nutritional improvement

Actions:

- Improve the growth surveillance system and master chart with intent to making them better tools for program planning
- Place greater emphasis on the operation of the weekly program as a method for reinforcing the households' commitment.
- In the standard MCH project, where recipient households receive the food aid package, explore the possibility of accepting expectant mothers to the program, on a referral basis from hospitals where such mothers attend ante-natal clinics.
- Promote interaction between centers and the GOK's Ministry of Health through district nutritionists, while encouraging referrals between centers and those medical units (mobile or stationary) within close proximity of the MCH center.
- Enforce the requirement that all children attending the MCH clinic are immunized and further that all expectant mothers enrolled on the program attend ante-natal clinics. In both cases documentary evidence will be required.
- Review food commodity package size and constitution to areas where current package may be inappropriate due to local factors (e.g. milk availability amongst pastoralists would suggest a reduction of milk package in favour of a grain increase).
- Transfer those recipients (over 36 months) whose nutritional status is determined to be stable and phase them into the nursery feeding project, whenever the facilities exist.

Food For Work

Objective

- Community Development

Actions

- Hold regional seminars to evaluate/review possible points for initiation of developmental activities and promote involvement of household in such activities.
- Determine centers at which developmental activities can be initiated in conjunction with existing groups (i.e. self-help groups) in which food aid recipient households comprise part of the membership: in the mode of "community targeting".
- Aim at involving up to 35% of all MCH centers in associated developmental activities by requiring such involvement for continued participation of the household at the center.
- Provide support to activities within target categories, whose objectives are to increase employment opportunities by the use of food commodities paid to households on a 'capital formation' or 'indirect monetization' basis.
- Make attempts to integrate FFW sponsorship with the efforts of other agencies involved in community development (e.g. Agricultural experimental projects in ASAL areas by private agencies).

II. Single Recipient Oriented Child Feeding Projects

Institution Feeding

Objective

- Nutritional improvement

Actions

- Provision of food aid to Institutions for therapeutic feeding.
- Provision of balanced meals to emotionally or physically handicapped children in residential institutions.

- Allocation of food aid as provisional budgetary support to institutions.

Supplemental food aid commodities will be provided to institutions primarily to be used in projects whose nutritional impact is clearly defined. Priority in the allocation of available resources for this category will be given to malnutrition and pediatric wards of medical institutions, with particular preference being given to second or third degree malnutrition cases. Commodities will also be provided to institutions for feeding emotionally or physically disabled children up to the age of 14 years. Whenever applicable, CRS/Kenya will require that a referral relationship be established with the MCH program, both ways.

Institutions receiving this kind of assistance must be committed to developing alternative sources of supplemental food, with the long term objective of eliminating the need for assistance under the CRS Program.

At those Institutions where the possibility exists, indirect monetization projects will be initiated on a pilot basis, with the aim of developing an income generating activity (e.g., cottage industries) which may provide support to the institution. Especially encouraged will be activities such as vocational rehabilitation projects at institutions for the physically handicapped.

#### Nursery Feeding

##### Objective

- Improve nutritional status of Nursery School children
- Increase pre-primary school enrollment and attendance
- Improve cognitive development of children

CRS/Kenya will provide support to those nurseries which qualify for such support (as a result of the targeting exercise) and are not receiving assistance from the feeding program of the Ministry of Basic Education. Food aid will be provided to nurseries on condition that they meet the following conditions:

- a) Commit themselves to contributing the required local share of the cooked meal
- b) Contribute program support fees

- c) Guarantee the participation of parents in the feeding program (e.g., cook meals, etc.)

### Transitional Actions

The actions detailed above for the different feeding projects have been developed as a logical follow up to various program changes currently underway. CRS/Kenya expects the implementation of these program improvement changes to continue into FY 1984, thus laying the basis for the operation of the program as described in this plan. Following is a brief review of the programmatic changes currently being effected for each project.

### Household Oriented Projects:

MCH - In the MCH project, the continuing implementation of the retargeting strategy will ultimately involve the reallocation of 25% of the total MCH food resources withdrawn from less needy areas. This action has facilitated increases in recipient levels at needier centers (e.g. in ASAL regions) receiving MCH support. Retargeting in the MCH will further be revamped by the reprogramming of food commodities out of the nursery feeding program, to further increase the MCH recipient level by 5,500 recipients.

FFW - CRS/Kenya's effort to derive maximum impact from food aid resources is being approached in the FFW project by the forging of closer linkages with MCH and applying what may be best described as multi-modality targeting. Here greater emphasis will be placed on project review and the developmental output of the activity to be supported. Priority will at all times be given to activities proposed at, or in conjunction with the MCH center.

FFW commodities will also be used to support private efforts aimed at the provision of basic social services, such as the construction of kitchen/storage modules at CRS/Kenya supported nursery schools,. In addition, CRS/Kenya will continue to encourage community involvement and support for projects aimed at increased food production and improved food marketing systems. (e.g. supporting the construction of rural access roads, etc.)

### Single Recipient Oriented Projects

Nurseries - For the Nursery School feeding project, CRS/Kenya is giving all due consideration to the World Food Program supported Pre-Primary and Primary School Feeding project for

Kenya's dry districts as operated by the Ministry of Basic Education. In describing this project, the WFP states:

The objective of the project is to improve the health and nutrition status of the children in the poorest parts of Kenya, encouraging the children to go to school and improving their learning ability.

The district in the programme are in the dry, poor, normally agriculturally non-productive areas of Kenya. This area is part of a large belt of land stretching from Karamoja in Uganda through southern Ethiopia and northern Kenya to Somalia that has been suffering a prolonged drought. The population of this region is largely nomadic or semi-nomadic and impoverished.

This programme is both vital to the long term development of the area and is a major response to the current suffering created by the recent drought conditions.

The retargeting action has been taken in the interests of avoiding duplication.

CRS/Kenya is providing commodities for Nursery School Feeding to institutions in those areas not covered by the WFP/GOK project. CRS/Kenya intends to pursue the possibility of phasing over these institutions to GOK or privately sponsored feeding projects.

During FY 1984, CRS/Kenya will drop Non-Fat Dried Milk (NFDM) in favor of Corn Soya Milk (CSM) which we feel is more energy efficient and lends itself better to use at Nursery Schools. As CSM is not a totally new commodity to the country, CRS/Kenya does not anticipate any difficulties in introducing it to Nursery feeding.

Institutions - While reviewing and zero-basing all institutional feeding, CRS/Kenya has extended support in the project to the complete 12 months in a year, as opposed to the 9 months sponsorship given in the past. As in the Nursery feeding project, in the interests of providing a more wholesome commodity for the clientele resident in institutions, CRS/Kenya will provide CSM instead of NFD Milk.

In gearing up the Institutional feeding project to attain a nutritional impact, CRS/Kenya is requiring that as far as

possible linkage be established with MCH project, facilitating referrals, either way.

#### Progress Evaluation by CRS

CRS/Kenya will continue to use the Growth Surveillance System and Master Charts as used at the MCH center as the primary method of objectively measuring progress towards the achievement of nutritional goals in the MCH project. The GSS will also be used on a pilot basis in the Nursery Schools feeding program for monitoring the nutritional status of recipients.

The other methods to be used for measuring progress in nutritional and developmental objectives are:

- Monitoring of project progress as described by center on monthly progress reports required by CRS/Kenya.
- Regular visits of CRS/Kenya staff to centers to ensure compliance with project requirements and verify monthly reports. Field trip reports are filed on every visit.
- CRS/Kenya quarterly narrative reports.
- Commodity Recipient Status reports.

#### Assumptions

CRS/Kenya will pursue the directions outlined above, subject to various limitations such as availability of Title II commodities, normal capability of the CRS/Kenya program, long term developmental progress of the Kenyan economy, and conditions and effects of the natural environment and climate.

CRS/Kenya further assumes that sufficient (low level) financial resources will become available (e.g., Outreach Grant) to subsidize those project components in the entire program whose costs would otherwise hinder the operation of the program as outlined above. Such costs would include those like the bulk of inland transportation of FFW commodities and the transportation of MCH commodities consigned to the arid and semi-arid areas.

NORMAL DISTRIBUTION AT PROJECT LEVEL

Mother/Child Health

The normal stages for the operation of a Food and Nutrition Program center are as follows:

1. Health personnel from government or private health centers apply for the program.
2. Their facilities are investigated by CRS staff for proper storage, and rooms for sessions with mothers and children.
3. Center personnel are trained to manage a Food and Nutrition Program and on how to use the Growth Surveillance System for following the child's growth.
4. Food commodities are programmed (as per the agreement) by CRS/Kenya to the new center at the following monthly package size:

Non-Fat Dry Milk	- 2 Kg.
Bulgur Wheat	- 2 Kg.
Vegetable Oil	- 1 Kg.
5. Sessions are scheduled by Food and Nutrition center personnel so that no more than 60 children together with their mothers attend the center at each sessions. Mothers bring eligible children to MCH center once a month.
6. At each attendance the child is given a minimum physical examination consisting of:
  - a) accurate body weight;
  - b) proper recording on the weight on the GSS and Master Chart;
  - c) interpretation of the weight curve; and
  - d) any illness is recorded and the child may be referred for medical treatment.
7. A food assistance agreement is entered into, between the sponsoring agency and the mother, who then commits herself to:
  - i) provide the child with a diet consisting of building foods, energy foods and protective foods

- ii) take all necessary action against any illness affecting the child
  - iii) accepting the Growth Surveillance System as an indicator of the mothers adherence to this agreement
  - iv) accepting the Health and Nutrition education provided at the F & NP center
  - v) her households participation in an income-generating/developmental activity, when possible.
8. The following is done each month during individual meetings with each mother and her children:
- The child is weighed
  - Its weight recorded on individual weight cards
  - The mother is conferred with about her child's growth progress
  - Usually immunizations and other treatments for child ailments are administered
9. A discussion, demonstration or talk is given to the whole group of mothers.
10. The Food supplement are distributed after which the mothers can leave with their children.
11. The weights of the children attending that session are plotted on Master Charts (percentage graph showing the number of children at each percentile of standard weight).

#### Food For Work

1. Applications for food aid support are sent to CRS/Kenya.
2. Applications are reviewed and a visit by project staff programmed to the area of proposed activity.
3. Following CRS/Kenya staff visit, a report on proposed activity and assessment of needs is filed.
4. If assistance is approved, a standard agreement covering ration size and sponsorship levels is signed by applicant after which commodities are released.

Nursery Feeding and Other Child Feeding

1. Personnel at the nursery school or institution apply for food aid.
2. The facilities are visited by CRS staff and investigated for proper storage, cooking facilities utensils, and food preparation arrangements.
3. When the institution or school is approved, food supplements are programmed by CRS/Kenya at the following monthly ration per recipient:

	<u>Pre-School</u>	<u>Institution</u>
Oil	0.5 Kg.	1 Kg.
Bulgur Wheat	1.5 Kg.	2 Kg.
CSM	1.5 Kg.	2 Kg.

4. Staff at the institution are instructed on how to prepare the food.
5. An agreement is signed to provide these rations to an approved recipient level as a meal must be prepared and served at the institution.
6. Institutions and schools are required to maintain inventory control cards and to submit monthly reports which indicate the amount of food received, the number of children fed and the stock balance of commodities.

Cooperation of Country Government

A written agreement between Catholic Relief Services and the Government of Kenya was signed on 24th April, 1980. The provisions of the agreement are fully honoured through normal Government of Kenya administrative procedures and regulations which:

- a) Provide for duty-free entry of PL 480 Title II commodities and other relief supplies per Customs and Excise Act (1978) Paragraph 12 (1) of part 'A' of the third schedule;
- b) Grant Sales Tax exemption on all PL 480 foods and other foods imported by CRS for needy (and Section 42 (4) of the Sales Tax Act 1973);
- c) Give CRS and its counterpart agencies freedom of action to inspect and supervise all areas of the CRS Program;

- d) Exempt CRS from Taxation under the Income Tax Act of 1973.
- e) Provide U.S. Government and CRS inspectors authority at all times to control and inspect foods at any stage of the distribution process; and
- f) Allow appropriate publicity to inform people that the foods are a gift from the American people to the people of Kenya.

#### Integration with Government and Private Sector Services

CRS/Kenya has now adopted the policy of encouraging private sponsors to extend health and other related services to communities. In return for these services, particularly in areas where their recurrent maintenance costs are prohibitive, community support for services rendered will be encouraged. CRS/Kenya hopes that the approach of encouraging the establishment of such facilities by the private sector will serve the demonstration purpose of laying the basis for policy dialogue and possible policy change by Government, towards promoting greater involvement of the private sector in the efficient delivery of these services. This approach is consonant with the USAID/Kenya Mission objective as outlined in the CDSS, FY 1985.

At the same time, CRS/Kenya has projectized the integration of program activities with the Government on a pilot basis. Examples of this integration effort include the operation of CRS/Kenya sponsored MCH Centers by the Government's Turkana Rehabilitation Project and the recent opening of an MCH center at the Coast General Hospital. Other examples are CRS/Kenya's development assistance to the GOK Tana River Irrigation Scheme and CRS/Kenya's institutional support to various Government Institutions. During FY 1984, CRS/Kenya expects to allocate up to 10% of the approved AER for institutional feeding to Government institutions. In continuation of this mode of integration CRS/Kenya plans an increase of 6,000 recipients in the MCH category for FY 1985, for expansion of this service in Government institutions.

#### Relation of CRS/Kenya Program to FY 1985 CDSS

CRS/Kenya believes that its current direction as outlined above, is in harmony and, in fact, fits into USAID/Kenya's CDSS, particularly in the area of strengthening and promoting the use of the private sector institutions as development goals. (See CDSS FY 85, pp 27 and GOK Sessional Paper No. 4 of 1982.) CRS efforts in this regard include the use of

Mission infrastructure in development planning, and the implementation of small scale development projects.

An example of such projects in association with the MCH project would be the maintenance of airstrips in remote areas by recipient of MCH commodities. This maintenance in turn facilitates the provision of medical services to communities by private organizations, (e.g., AMREF). Similar (low-level tech.) projects would include water supply systems, windmills, and community supported health care systems.

Another area of convergence with the CDSS is CRS/Kenya's plans to utilize Food and Nutrition Centers as the 'hub' for women in development projects, with emphasis on projects designed to upgrade and promote women's groups. CRS/Kenya will also assist communities in developing and sustaining long term educational projects, such as nursery schools.

CRS/Kenya also aims to provide budgetary relief in the form of PL 480 Title II assistance, to institutions willing to use savings generated by these donations, to further economic development projects and income generating activities. Projects proposing to utilize such savings for institution building and service improvement will also be considered.

It is the view of CRS/Kenya that the foregoing plans are complementary to USAID/Kenya's CDSS for FY 1985.

CRS/Kenya is also involved in various other activities, unrelated to the PL 480 Title II program whose aims complement those of the USAID Mission as stated in the CDSS. Examples include:

1. The sponsorship of the Kitui Primary Health Care Project, funded by USAID OPG.
2. The sponsorship of a housing construction project for 120 families by the Diocese of Garissa in conjunction with local authorities in Garissa, (similar to CDSS pp 29).

### Funding Requirements

#### Grant Funding

Despite the efforts described above to give priority to the strengthening of the private sector and to encourage community support particularly for services provided in this mode, it is our assessment that CRS/Kenya will not be able to operate its

program in some of the most deserving areas of the country, without a certain level of subsidy. This is especially true for the arid and semi-arid areas - Turkana, Marsabit, Garissa, Mandera, Wajir. Further, we would estimate that even though community groups and/or private co-sponsors may be willing to meet a larger portion of FFW inland transportation expenses than has been the case in the past, the project will require significant subsidizing if it is to continue operating. CRS/Kenya therefore hopes that the required level of financial support will be made available in the form of grant funding.

This being the case, CRS/Kenya will follow the 'last dollar' policy utilization of such funding, where all locally generated funding is utilized before grant funding can be applied. By using this method CRS/Kenya feels that the possibility of creating a disincentive/dependency will be minimized.

#### Monetization

CRS/Kenya is interested in the possibility of monetizing food aid on a pilot basis. Other than its obvious benefit to the country's economy in terms of easing balance of payment pressures, a monetization exercise would provide resources which could be applied as minimal support for inland transportation of food commodities (on a last dollar basis). It is CRS/Kenya's intention however, that the proceeds of such a pilot monetization exercise would primarily be applied to the support of small scale development activities (e.g. institution of cottage industries etc) in the interests of enriching the private sector infrastructure. As far as possible, funding provided by monetizing food aid will be used in conjunction with the regular program. Example of approaches to be considered in this respect include:

- 1) Cash support for developmental activities supported by household oriented projects.
- 2) Support for activities whose objectives are the creation of employment.

#### Relation with US Mission Disaster Relief Plan

During FY 1984, CRS/Kenya will develop a pre-positioned dynamic food reserve in a newly proposed - Emergency Assistance - Category. This new category will facilitate a quick response capability by CRS and U.S.G. to emergencies such as fire, flood and localized drought, thus enhancing the disaster preparedness and rapid response capability of the Mission.

In 1985, CRS/Kenya proposes to broaden this category to include a General Relief component following a specific appeal for this kind of assistance from the Nobel Laureate, Mother Teresa. This broadening will enable CRS/Kenya to avail food aid assistance to institutions providing cooked meals to destitute children and the elderly in Nairobi slums and arid areas of Kenya. CRS views such broadening of this category as important in the furtherance of the humanitarian purposes of PL 480. The increased recipient level will be 7,000 for FY 1985.

CONTROL AND RECIPIETING - REPORTING PROCEDURES AND AUDITS

CRS/Kenya is in full compliance with the requirements of Section 211.10 (a) of AID Regulation 11. Our entire system was reviewed by the USAID RIG/Nairobi, and all recommendations outlined in the Audit Report No. 3-615-82-18 have now been implemented by CRS/Kenya.

Worthy of mention are the following systems improvements which complement those reported in our FY 83 Operational Plan, Page 33, Paragraph C:

- The duty-free entry requirements for PL 480 Title II have been minimized by the GOK, thus, allowing CRS/Kenya to complete the processing of its duty-free application within a maximum of five working days.
- Survey reports have been extended to cover the actual delivery of PL 480 Title II commodities to the KBWC godowns. This procedure enables CRS/Kenya to have a full accountability for all bags landed in damaged condition.
- Surveys are also being conducted during the loading of the railwagons in Mombasa.
- Warehouses keep a movement ledger for the Receipt and Distribution of PL 480 Title II commodities.
- The shipments from warehouses to centers are documented in a CRS issued waybill book. Each dispatch is recorded in quadruplicate: one copy of the waybill remains in the warehouse; two are sent to the consignee who retains one and sends the other to CRS/Kenya acknowledging the receipt of the commodities; and a fourth one is retained by the transporter. The duplicate waybills, once received by CRS, are compared with centers receipts, and are duly recorded in our commodity ledgers.

- A new system for reporting loss, damage, or misuse and disposition of PL 480 Title II commodities has been in place since October 1, 1982. This new system insures proper and timely accountability for all PL 480 Title II commodities within the country. Moreover, this system has been fully reviewed by USAID/Kenya, and the Regional Inspector General/Nairobi Office who has deemed it to be in compliance with the requirements of AID Regulation 11.

- Regular management reviews, facilitated by the acquisition of an Apple II E mini-computer, will be used by CRS/Kenya as a tool for accomplishing greater cost-effectiveness in our handling, storing and distribution of PL 480 Title II commodities. These improvements will further reduce the program's dependency on outside or Governmental funding for its outreach operations.

#### PORT FACILITIES - PRACTICES

Facilities at the Port of Mombasa are adequate to safely handle the off-loading of PL 480 Title II commodities consigned to CRS/Kenya.

Cooperation from the Port Authority, Shipping Lines Agents, and Customs Officials has improved substantially over the past year, and we attribute this to the discussions held in Mombasa in early June 1982, under the sponsorship of REDSO/Nairobi. On that occasion, all parties agreed to meet, as needed, and plan for the orderly receipt of goods arriving in this country under this Program.

CRS's attempts to have port handling and wharfage charges waived by the Government have not succeeded. Since these are part of the Port's normal commercial charges we do not expect the Government's position to change in the foreseeable future. The costs involved, although burdensome, can be off-set by the cost-savings measures being introduced in our overall handling of the PL 480 Title II commodity distribution.

The Port has continued to permit independent surveys which now include a full account of all units received ex-tackle, and delivered at the KBWC godowns.

#### INCOUNTRY STORAGE AND TRANSPORTATION

The KBWC godowns are adequate to handle over 50% of our AER, approximately 5,000 MT, at any given time.

CRS/Kenya uses the services of 16 regional warehouses, some built with previous Outreach Grants, as its main storage points after the commodities are shipped from the Mombasa Warehouse. The regional warehouses are located at: Kitale, Ngong, Machakos, Meru, Karatina, Lodwar, Voi, Nakuru, Kisumu, Kitui, Marsabit, Nairobi, North Kinangop, Nanyuki, Kisii and Embu.

Additional warehousing space is planned for the Matuu location, in the Machakos District. This will improve our outreach capacity in needy areas such as: Northern Kitui, Machakos and Garissa Districts.

Existing storage facilities at centers targetted for greater program support - mostly located in the dry districts of Kenya - will be augmented under the Transitional Outreach Support Grant. This improvement, in addition to reducing transportation costs, will also provide CRS/Kenya with a "dynamic reserve" of PL 480 Title II food at the areas of the country considered to be disaster prone.

#### PROCESSING - REPROCESSING - REPACKING

These processes are not required by our current PL 480 Title II Programs.

#### FINANCING

In keeping with program's self-help orientation, the beneficiaries of all of its supplemental feeding modalities will be encouraged to contribute, on the basis of their ability to pay, for the handling, storage, transportation of the commodities, and those costs associated with the program's administration and development as well. CRS/Kenya expects that costs up to \$900,000 will be funded with these contributions.

Small outreach grants and funds generated by the monetization of PL 480 Title II foods are also expected to be used in support of extraordinary expenditures connected with the movement of PL 480 Title II commodities to "targetted" centers located in the neediest areas of Kenya, e.g., dry districts. CRS does not expect this level of support to exceed \$150,000 per year.

Grants from private organizations in EEC countries, and Japan will also augment this program's enrichment features, and will promote engagement of its beneficiaries in long term development activities. Medicines supplied by the U.S. Medical Mission Board will provide a significant relief to those

children attending CRS feeding projects located at Mission-supported health facilities.

CRS expects its program financing in FY 84 to be made up of the following categories:

Recipient Contributions	\$1,000,000
PL 480 Title II Commodities (CIF)	5,000,000
U.S. and EEC Grants	1,000,000
Private Donors/USA	250,000
Private Donors/EEC	400,000
Private Donors/Japan	150,000
CRS/New York	350,000
<b>TOTAL</b>	<b>\$8,150,000</b>

In kind contributions to the program are a significant, and important facet of its financing. We estimate that this kind of assistance plus tax remissions granted to CRS by the Government of the Republic of Kenya will be in excess of \$1,000,000 per year. Included in this is the annual donation of medicines by the U.S. Medical Mission Board which has a CIF value of \$300,000.

#### ACCEPTABILITY OF AVAILABLE FOODS

All commodities provided under the program are very acceptable to its beneficiaries. CRS is in the process of determining regional/cultural preferences so that some of the rations/commodities may be adjusted to meet local need/preference. This is being done through a preference survey being conducted among recipients in clinics located in dry districts of Kenya.

CSM, which is being reintroduced to the program, is well known in the country, and is extremely suited to the type of institutions targeted to receive that commodity: nursery schools, and malnutrition clinics.

#### PROGRAM PUBLICITY

The Program has enjoyed favourable coverage in the local press, and is planning to increase its publicity during Calendar 1983 - the year of the Fortieth Anniversary of CRS. All center personnel are familiar with the origin of PL 480 Title II commodities, and recipients are made aware, at admission, of the fact that commodities are donated by the American people.

PL 480 TITLE II NARRATIVE

The CRS/Kenya Operational Plan for FY 85 included in this year's ABS was developed collaboratively with the USAID Mission. As a result of the FY 83 Title II audit, major redesign of the program has occurred and the FY 85 CRS/Kenya Plan reflects this refocus.

CRS/Kenya's current direction is in harmony with the USAID/Kenya's FY 85 CDSS: promotion of rural production, employment and income through associated development and food for work activities; reduction of population growth through promotion of natural family planning and breast feeding information and increased delivery of services through re-targeting, integration and cost-effective management. Examples of significant changes and new initiatives outlined in the Plan are:

1. re-targeting of food and nutrition activities to reach the most vulnerable groups or at risk persons through the use of socio-economic, nutrition, health and other data;
2. zero-base exercise of the institutional feeding programs;
3. development of linkages between program modalities;
4. initiation of associated development activities;
5. integration with Kenya Government, private sector and USAID activities;
6. improved program management, control, supervision, cost-effectiveness and evaluation;
7. emergency food reserve and relief; and
8. pilot monetization activities.

Two examples of integrated projects are:

1. Sponsorship of the USAID Kitui Primary Health Care Project.
2. Sponsorship of a housing construction project for 120 families by the Diocese of Garissa in conjunction with local authorities in Garissa through the Food For Work Program.

Two new categories of assistance are being included in the program, one in FY 84 and one in FY 85. In FY 84, CRS/Kenya is inaugurating an emergency food reserve category to facilitate a quick response capability by CRS/Kenya and the USG to emergencies such as fire, flood and localized drought, thus enhancing the disaster preparedness and rapid response capability of the Mission. CRS proposes to broaden this category in FY 85 in response to the humanitarian mandate and to include a general relief component to provide assistance to displaced persons and the destitute members of society by Mother Theresa's Missionaries of Charity. USAID will evaluate this proposal when it is further developed. In FY 85 a food monetization category will be added for a pilot activity the proceeds of which will primarily be used for small scale development activities.

The development and humanitarian impact of the re-designed program should result in recipient's improved nutritional status, food self-sufficiency, rapid emergency and relief response and minimized program costs per unit of food.

Management of the CRS/Kenya program has been substantially strengthened through the efforts of a competent, innovative and dynamic Director. Regular management reviews facilitated by the acquisition of an Apple II mini-computer will be used by CRS/Kenya as a tool for accomplishing greater cost-effectiveness in handling, storing and distribution of PL 480 Title II commodities. USAID/Kenya's monitoring of the program is a cooperative effort involving frequent interchange, periodic site visits and scheduled monthly review meetings. Progress reports on the program are collaboratively prepared quarterly, reviewed by the Mission and submitted to Washington. Under present conditions, USAID is confident that the program will continue to improve and grow and that the objectives described in the Plan will be achieved.

Through intensified management control CRS/Kenya has considerably reduced administrative costs and the amount of external subsidy for the program and will continue to do so through FY 85. However, income generation by recipients of the program will not be sufficient to support transportation costs to far reaching needed areas of the country, therefore some reasonable degree of outreach support or possibly monetization is anticipated to be required.

In response to the Bellmon Amendment: CRS/Kenya's current and planned warehouse facilities are described in their Operation Plan and will provide adequate storage for commodities requested. Imports are designed to meet specific gaps and will

not act as a disincentive to local production. In fact, it is hoped that through associated development activities, family self-sufficiency and ability to provide for its own food needs will be enhanced.

APPENDUM: NON-BILATERAL FUNELED ACTIVITIES IN KENYA

P F O J E C T Number	TITLE	Initial Year of Funding	Project Assistance Completion Date(PACD)	Life Of Project Funding (LOP)	Principal Responsible AID/W Office	USAID/K Priority
936-5724	Conventional Energy Technical Assistance	NA	NA	NA	ST	Low
936-9997	Conventional Energy Training	NA	NA	NA	ST	Low
936-5710	Photovoltaic Development and Support Program (NASA)	81	84	500	ST/E	Medium
938-0228	Seventh Day Adventists World Service (SAMS)	81	84	NA	FVA/PVC	Low
Not Known @ USAID/K	Salvation Army World Service	80	83	NA	NA	Low
698-0427	Environmental Training and Management	80	85	NA	AFR/RA	Medium
931-1017	Radio Reading	80	84	5,300	ST	Low
698-0384	African Graduate Fellowship Program (AFGRAD II)	77	NA	NA	AFR/RA	Medium
698-1035	Regional Education Analysis (Kenya)	79	82	175	AFK	Low
698-0384.6	African Manpower Development Program (AMDP I)	77	84	1,172	AFK/RA	High
698-0433	African Manpower Development Program II (AMDP II)	82	88	1,000	AFK/RA	High
615-9801	Human Rights Fund Africa	80	-	22	AFK/RA	Medium
615-9901	Special Self-Help Development	-	-	176	Embassy	Medium
615-0217	Mombasa Port Expansion	82	83	350	TDP	High

P K O J E C T  
Number Title

		Initial Year of Funding	Project Assistance Completion Date(PACD)	Life Of Project Funding (LOP)	Principal Responsible AID/W Office	USAID/K Priority
Not Known @ USAID/K	World Education Inc. (WEI)	81	84	NA	NA	Low
Not Known @ USAID/K	World Relief Corporation (WRC)	80	83	NA	FVA/PVC	Low
698-0588.13	Women in Development - Peace Corps Extension	80	85	184	AFR/DR	Medium
698-0388.15	Women in Development P/P (OPG)	80	83	125	AFR	Medium
698-0410.32	Small Scale Enterprise - NCK	80	83	275	AFR/RA	High
698-0588.16	Kenya Rural Women's Communication Project	81	87	116	AFR	Low
698-0363	African American Labor Center	NA	NA	NA	AFR/RA	Low
698-0407.04	Improved kural Technology Grain Storage	78	83	145	AFR/RA	Medium
698-0407.29	Improved kural Technology Water Supply, Sololo Dams (CAKE/Kanya)	82	84	49	AFR/RA	Medium
698-0407.30	Improved kural Technology Low Cost housing in Western Kenya	82	84	100	AFR/RA	Medium
6698-0414	Regional Remote Sensing	77	84	NA	AFR/RA	Medium
698-0444	Farming Systems Research	NA	NA	NA	NA	High
698-0413.3	International Center for Insect Physiology and Ecology (ICIPE)	NA	NA	NA	NA	Low
Not Known @ USAID/K	OFDA Food Supply Analysis	NA	NA	NA	OFDA	High

P K O J E C T  
Number Title

		Initial Year of Funding	Project Assistance Completion Date(PACD)	Life Of Project Funding (LOP)	Principal Responsible AID/W Office	USAID/K Priority
Not known @ USAID/K	Bean and Cowpea (CRSP)	NA	NA	NA	BIFAD	Medium
931-1328	Small kuminants (CKSP)	NA	NA	5,000	BIFAD	Medium
931-1064	Cornell Nutrition Surveillance Program	81	NA	NA	ST/N	Medium
Not known @ USAID/K	Nutrition (CFSP)	81	NA	NA	ST/N	Medium
932-0547	World Fertility Survey	77	83	NA	ST/POP	High
932-0624	Contraceptive Prevalence Surveys	82	84	NA	ST/POP	Medium
932-0662	United Nations Fund for Population Activities	NA	NA	NA	ST/POP	High
932-0622	1980 Round of Censuses	78	83	NA	ST/POP	Medium
932-0643	Population Policy Research	79	85	NA	ST/POP	Medium
932-0637	Resources for the Awareness of Population Impacts on Development (RAPID)	79	83	NA	ST/POP	High
932-0632	Fertility Impact of Different Types of FP Programs: Research	82	85	1,400	ST/POP	High

FRG JECT Number	Title	Initial Year of Funding	Project Assistance Completion Date(PACD)	Life Of Project Funding (LOP)	Principal Responsible AID/W Office	USAID/K Priority
932-0502	Population Program Development and Support	81	84	NA	ST/POP	High
936-5900	Accelerated Delivery Systems Support	NA	NA	NA	ST/POP	Medium
932-0838	International Planned Parenthood Federation	NA	NA	NA	ST/POP	Medium
932-0968	Program in Voluntary Sterilization	81	NA	NA	ST/POP	High
932-0807	Family Planning Services - The Pathfinder Fund	NA	NA	NA	ST/POP	High
	Kenya PIN 7247 (Development of Local Educational Material	83	84	40	ST/POP	High
	Kenya PIN 7203 (TBA Survey in Four Kenyan Provinces)	83	83	44	ST/POP	High
	Kenya PIN 7306 (Karachuonyo Community Based Health Services Project)	83	86	62	ST/PO	High
	Kenya PIN 7058 (Maendeleo Ya Wanawake) MCH/FP Motivational Services	79	84	501	ST/POP	High
	Kenya PIN 7182 (FP Association - Community Based FP Services)	82	85	49	ST/POP	High

P R O J E C T Number	J L C T Title	Initial Year of Funding	Project Assistance Completion Date(PACD)	Life Of Project Funding (LOP)	Principal Responsible AID/W Office	USAID/K Priority
	Kenya PIN 7219 (Reduced Adolescent Fertility Through Training and Program Development)	83	84	85	ST/POP	High
932-0638	Strengthening International Population Communication and Training	77	82	NA	ST/POP	Medium
932-0659	Population Information Program	78	83	NA	ST/POP	Medium
932-0644	Paramedical, Auxiliary and Community Family Planning Personnel Training	79	83	NA	ST/POP	Medium
932-0651	Family Planning Program Worldwide Training Fund	NA	NA	NA	ST/POP	Medium
932-0604	Post Graduate Training in Reproductive Health (Johns Hopkins Program for International Education in Gynecology and Obstetrics)	NA	NA	NA	ST/POP	Medium
932-0655	Integrated Population/ Development Planning	82	83	NA	ST/POP	High

P R O J E C T Number	Title	Initial Year of Funding	Project Assistance Completion Date(PACD)	Life Of Project Funding (LOP)	Principal Responsible AID/W Office	USAID/K Priority
Not known @ USAID/K	Center For Development and Population Activities: Women in Management Training - AOD/OTR-G-1762	NA	NA	NA	PPC	Medium
931-0955	Family Planning International Assistance	NA	NA	NA	PPC	Medium
-	Kenya 03 (Chogoria Hospital)	74	83	863	ST/POP	High
-	Kenya 04 (Kwangware Health Care)	79	84	165	ST/POP	High
-	Kenya 05 (Saradidi Community Based health Project)	80	85	110	ST/POP	High
-	Kenya 06 (M'Komani Clinic)	81	85	130	ST/POP	High
-	Kenya 07 (Adventist University of Eastern Africa)	82	87	32	ST/POP	High
-	Kenya 08 (Tumutumu Hospital)	83	88	27	ST/POP	High
-	Kenya 09 (Chogoria Hospital)	83	88	66	ST/POP	High

P Number	U J E C T Title	Initial Year of Funding	Project Assistance Completion Date(PACD)	Life Of Project Funding (LOP)	Principal Responsible AID/W Office	USAID/K Priority
Not known @ USAID/K	CIAT bean Research	83	88	NA	AFR/RA	High
Not known @ USAID/K	CGIGAK Activities	- Continuing -	-	NA	ST	High
698-0424	Energy Initiatives in Africa	82	87	500	AFK/RA	Low
940-0023	Kenya Commercial Bank	83	94	2,750	PRE	High
940-0506-15	Small Project Assistance	83	84	40	AFR/DP	Low

Note: NA = Not available @ USAID/K Mission