

UNCLASSIFIED

**Annual Budget
Submission**

FY 1985

ZAIRE

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Agency for International Development
Washington, D.C. 20523

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FY 1985 ANNUAL BUDGET SUBMISSION

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MISSION ACTION PLAN

1. The USAID program is concentrated in four areas: (1) Agriculture, (2) Nutrition, (3) Health, and (4) Population. Population and health programs are carefully interrelated while the nutrition activities overlap and act as a link with the other components of the program.

The USAID strategy is to assist Zaire develop the institutions, manpower, physical infrastructure, and financing mechanisms that are essential to nationwide programs in the four priority areas. This means a two track approach : (1) upgrading of national institutions so that they are capable of operating effectively at the sector level, and (2) carefully targeted implementation of rural development activities at the household level. Given the nature of the economic and political situation this means working to a large measure through PVOs and the private sector.

Each of the four areas of concentration are discussed below:

Agriculture:

The AID policy paper on "Food and Agricultural Development" provides the foundation for our agriculture program: "increased agriculture production, greater economic efficiency in the marketing and distribution of agricultural and food production...and improved food consumption..." These are supported by Africa Bureau guidance papers and are precisely those objectives stated in the CDSS. We have developed an interrelated package of programs to attack key constraints in these fields. The GOZ has made increasing agricultural production its top priority.

The CDSS has identified our country specific goal: "produce and market increasing quantities of basic food crops for domestic consumption." USAID benchmarks are set primarily on the basis of institutional development rather than production figures. To achieve its long term goal, the USAID utilizes the following program approaches: Policy Analysis, Food Crop Research, Food Production, and Marketing.

The first program approach, Policy Analysis, attempts through our Sector Studies Project to institutionalize agricultural data collection and analysis, permitting more rational policy choices. We are training agricultural statisticians and economists, and providing technical and financial support for the analysis division (Service d'Etudes) within the Department of Agriculture. Benchmarks will be : a trained and experienced cadre of policy analysts working within the Service d'Etudes; an established data processing center; and finally, agricultural reports and documents transmitted, received, and accepted by appropriate upper echelon government officials as valid for decision making. The FAO is providing support in the area of data collection.

As a result of a recent evaluation stressing the need for work experience in policy analysis the project will emphasize on-the-job training, while continuing participant training in the U.S. During FY 84 and FY 85, ten Zairians will be studying for their Masters. Returnees will receive on-the-job training under the guidance of a technical assistance team and short term training through CENACOF, a USAID supported Zairian national training center.

Management tools which will be employed to assure continued program success will continue to be contracted technical assistance, evaluations and the

continual monitoring of program activities by the Mission. The key implementation problem is the retention of trained staff by the Service d'Etudes.

Food Crop Research, the second program approach, has as its short range operational objectives the institutionalization of a sustainable, coordinated food crop research program. This project, scheduled to start in FY 83 will combine three existing, crop specific research programs (legumes, corn and cassava) into one coordinated research effort. Project evaluations of the legumes and cassava components are built into the design. Coordination of research efforts will be through the Service d'Etudes following a donor sponsored reorganization of research led by USAID.

Benchmarks towards these objectives will be a reorganized food crops research program, with each crop ceded its own station and operating budget. Further indications of institutionalization will be a trained Zairian technical and scientific staff (Long-term training of 7 Master's and 1 PhD candidate in FY 84 and 8 Master's and 2 PhD candidates in FY 85) and short-term, in-country technical and managerial training through CENACOF of 45 trainees in FY 84 and 90 trainees in FY 85). Lastly, results emanating from the research will be disseminated to area farmers through the private sector, both PVOs and private enterprise as well as the Department of Agriculture.

Management steps to increase program management capabilities include an increase in travel budgets. This will assure earlier identification of potential project implementation problems and concurrently, faster resolution of them. Furthermore, contract assistance will be provided by an International Ag Research Institute thus helping assure that the technical assistance will be timely and of the highest quality. It will be necessary to give special attention to building up capability to manage and support a nationwide research program - organization, logistics, and financing.

Our third program approach is food production. The objective is to increase food production through institutional development and direct production applications in area based agricultural projects working at the farmer level. One such project is Project North Shaba (PNS), another is planned to begin in FY 85. Generally, food crop production is stimulated through reasonable farm-gate prices, improved marketing channels, such as roads and bridges, and access to agricultural inputs such as tools and fertilizers and new varieties and new cultural practices obtained from the Research Program. These factors have fostered policy dialogue and are integrated by project activities. A recent evaluation of PNS identified several constraints to project sustainability: lack of local control of financing mechanisms and the lack of regional technical and managerial capacity. Solutions to these constraints have been incorporated into a redesign of the ongoing project and the new production activity. Evaluation recommendations will be prime benchmarks during FYs 84 - 85. There is increased awareness of the need to involve the private sector in such areas as seed multiplication and distribution, extension, etc. The private sector will be a critical component in project activities and will be the basis of project sustainability. We note that the IBRD and other donors are also undertaking area based food production projects. The IBRD considers PNS as one of the most successful agriculture projects in Zaire and is studying it in order to apply lessons learned to its own activities. The ongoing Fish Culture Project, being jointly implemented by USAID and Peace Corps, is our other food production effort, and should be close to a self-sustaining level by the end of FY 85.

Management steps to increase effective implementation will be: 1) short-term, project implementation training through CENACOF (FY 84 of 180 persons and FY 85 of 120 persons), 2) constant dialogue with the private sector to promote an atmosphere of mutual aid, 3) continuing dialogue with the GOZ to ensure price liberalization policies remain in effect, and 4) increased travel funds which will allow for more frequent site monitoring by project officers. Our main implementation problem is the recruitment of qualified, French speaking technicians.

In the event that ESF funding should be provided, these additional funds will be funnelled through agribusiness in order to better support tool and commodity inputs to the farmers.

The marketing program approach goes hand in hand with increased production levels. Our aim is to help connect agriculture areas to markets through road and water transport system investments. Increased production will occur only if farmers are satisfied that marketing channels exist. That appropriate infrastructure, such as roads and bridges, which opens up areas to truck transport, can be a major impetus to merchant activity has been proven in North Shaba. Thus short range objectives consist of the placement of market infrastructure, e.g. roads and bridges, upgrading the capabilities of the highway department and the private sector, small river landings, the rehabilitation/maintenance of feeder roads, and increased area economic activity. By end of FY 85 1322 km of road will have been rehabilitated through several AID projects. (A new ag marketing project will be put in place in FY 84 following evaluation of current activities.) Institutional capacities of the highway department will be augmented through training of 200 mechanics and heavy equipment operators. Increased levels of marketed food should indicate increased area economic activities. Other donors are already heavily involved in road projects.

In order to reach these benchmarks several management tools will be used: continuing dialogue with the GOZ to assure local funding, increased monitoring of project activities and continuing dialogue with the private sector to assure their participation.

ESF funding would be used to increase the number of kilometers rehabilitated and also to provide loans to area merchants for such things as spare parts, trucks, etc.

Nutrition:

Nutrition sector objectives are consonant with the CDSS two-track long-range development strategy and with the GOZ's goal of "health for all by the year 2000." USAID objectives include upgrading the capabilities of Zaire's National Center for Human Nutrition Planning (CEPLANUT) and improving nutritional status through household-level activities in the Bandundu region. Our nutrition activities will work with and through the USAID's agriculture and health projects, as well as the many local PVOs widely engaged in similar and complementary efforts. Our approach will closely follow the Agency's "Nutrition Sector Strategy Paper."

Operational objectives for this sector flow from the CDSS, elements of the Africa Bureau Health Strategy Statement, and from the evaluation of the USAID project that helped establish CEPLANUT in 1978. The evaluation stressed the

importance of enhancing CEPLANUT's institutional capability to formulate a national nutrition strategy and to implement programs in support of that strategy.

USAID's specific nutritional objectives for FY 84-85 include: (1) Further development of a national food and nutrition strategy that will coordinate agricultural production and marketing efforts with the basic nutritional needs of the population; (2) Design of a national nutrition surveillance system; (3) Formation of a regional Food and Nutrition Council, composed of local and international PVOs and other private sector groups. Yearly conferences and regular seminars and training workshops will develop the Council's capacity to coordinate, technically assist and evaluate interventions in the Bandundu region where most USAID nutrition activities are concentrated; (4) Improvement of the management skills of CEPLANUT staff; (5) A possible program to blend Title I wheat flour with locally-produced soy or other flour to improve the protein consumption of the urban population.

USAID's Area Nutrition Improvement Project is the chief vehicle for achieving these objectives. Currently regionally-focused, CEPLANUT's role in implementing project activities will later be applied in other regions and eventually on a national scale. Benchmarks for gauging progress toward these objectives will include design and implementation of a regional nutrition surveillance system; long- and short-term participant training and on-the-job experience for key CEPLANUT management and technical staff; and a comparison of "before and after" baseline data to determine the extent to which acute child malnutrition is reduced in Bandundu, the target region.

In March 1985, a mid-project evaluation will begin to identify accomplishments and propose ways to coordinate with other Ministry of Health programs, such as primary health care. Evaluation results will be used to encourage closer cooperation between CEPLANUT and the other government agencies concerned with agriculture, health, planning, commerce and transportation, so as to perfect and implement the national food and nutrition strategy that now is the subject of "policy dialogue" between our two governments.

Anticipated implementation problems center on logistics and transportation, since the target region is vast and communications links tenuous. Management steps planned to alleviate these difficulties include field oversight by USAID of project activities, as well as the use of U.S. PVOs with relevant field experience as consultants for specific project components.

Health

The USAID Health Strategy closely follows the approach of AID's "Health Assistance" Policy paper and the Bureau's "Health Strategy Statement", particularly constraints, objectives and strategy. USAID is working to make Zaire capable of, and self sufficient in, providing broad access to basic health services. The program is designed to stress individual and community understanding of health problems so that both may act to improve health status. In pursuit of this goal, USAID will continue to support selected aspects of the GOZ's "Health For All by 2000" strategy with stress on two specific constraints which inhibit the spread and sustainability of public health services -- (1) improved planning and management capability and (2) financial sustainability.

AID will continue to support improvement of planning and management techniques as well as general institution building at all levels through both short and long term training. This will be done by building up the School of Public Health so that it will be able to offer a wide variety of training, including in-service for both GOZ and private public health practitioners, and programs through the masters degree. A new project will be put in place in FY 84 to achieve this end.

The second target constraint is financial and institutional sustainability. Sustainability will continue to be approached at the service delivery level by institutionalizing fee-for-service systems and by working on a broad front through PVOs long established in Zaire. By its own example of channeling assistance through non-governmental groups, USAID will encourage the GOZ to increasingly use non-GOZ entities for actual delivery of certain health services. This will allow local delivery entities to generate and manage their own resources and to reduce constraints posed by limited absorptive capacity of the formal GOZ health system.

The long-term objective is to have the majority of local costs of rural public health programs covered by user fees. The GOZ will provide overall policy guidance, coordination and material assistance. USAID will continue to support specific operations research to assist the GOZ in determining the cost-effective and efficient delivery mechanisms of the basic eight services to be included in primary health care.

To this end USAID will assist in setting up approximately 50 rural health zones with separate line item budgets. Of these, the first 15 zones will be evaluated as to access of health coverage and sustainability. If this approach proves successful, USAID will encourage extension of the system countrywide. Evaluation is scheduled for mid-1984. Note that the 1983 PEV evaluation was used as the guideline for the design of the CCCD project. The CCCD project will be merged into the Basic Rural Health organization over time. In the FY 84-85 period its programs will feed into the Basic Rural Health Project and be essential to its success.

By the end of 1984 the Graduate School of Public Health is expected to be training the first group of the 300 zonal doctors who will manage the system.

In addition to in-country training between 6-10 members of the teaching staff of the School of Public Health will be sent to the U.S. for graduate education. We also plan to fund several masters of public health degrees to be split between U.S. and in-country education, depending upon progress of the School.

The U.S., Belgium and UNICEF are the "big three" health donors. We work together, and all funnel resources through the newly developing rural health system. The management steps we will take to handle our expanding portfolio include:

- 1) USAID will engage one additional local hire PSC. This will permit closer USAID monitoring of project activities especially in the rural areas.
- 2) USAID will count on REDSO/WA and ST contract assistance for the major mid-term evaluation of the Basic Rural Health Project.
- 3) USAID will continue to rely heavily on PVO and private sector infrastructure for extension of activities. This will include the church networks, unions, and larger industrial enterprises. In the Basic Rural

Health and CCCD projects approximately 2/3 of all activities will be through non-governmental channels. Timely provision of GOZ inputs will be a problem.

Population

The USAID population strategy closely parallels the AID population assistance policy which focuses on the extension of voluntary family planning service delivery. In order to expand service, USAID, working with the Department of Public Health and the National Committee on Desirable Births, will rely principally on those non-governmental organizations that are either already providing service or are capable of initiating and sustaining services with a minimum of assistance. Such organizations include unions, cooperatives, churches, and private companies as well as individual entrepreneurs. Whenever conditions are attractive, USAID will attempt to incorporate provision of family planning services into the various programs of the Department of Public Health. This includes persuading professional schools and other institutions to include family planning training in their curriculum.

As in the health program, the objective is to institutionalize family planning service delivery. USAID will concentrate upon building family planning into the regular service offered by target institutions. As part of this effort, 75 new service delivery centers will be set up in 14 urban areas by FY 85. Forty will be in non-GOZ clinics. The 1983 contraceptive prevalence survey will provide the baseline data for an evaluation in 1985 of the effectiveness of these institutions in attracting acceptors.

In order to achieve our objectives five persons will be trained at the masters level and 100 field workers retrained, technical assistance and contraceptives will be provided. Several centrally funded projects will also provide needed services. The management steps and expected implementation problems are similar to those of the health sector. The USAID travel budget will be increased in order to permit improved monitoring of the activities at the new clinic sites.

Total FYs 84-85 AID-Funded Training for All Activities
(\$ Costs for Both USAID and AID/W Funded Projects)

	FY 84		FY 85	
Out of Country Training	82	\$ 1,215	77	\$ 1,132
In Country Training	750	824	550	400
TOTAL	832	\$ 2,039	627	\$ 1,532

As discussed above, projects within subsectors fit AID and GOZ priorities, are interrelated and promote a combined attack on particular constraints. In the same way AID's various funding mechanisms are tied together

PL 480 Title I serves several purposes. It is a major vehicle for policy dialogue, especially in the food subsector. Given GOZ budgetary stringencies, without the local currencies generated by Title I imports we would not have sufficient funds to carry out our development projects -- unless we doubled our DA budget. Title I also makes a contribution to the easing of a severe balance of payments problem while providing a nutritious food that is eaten by all levels of urban society.

ESF-financed commodities would enable more rapid and wide-spread achievement

of the USAID's sector goals and so would complement other resources. Here too a new and valuable dimension would be added to our policy dialogue as well as providing badly needed foreign exchange to U.S. firms operating in Zaire. Title II, if converted to a Section 206 program, would enable us to expand more rapidly expand food production and marketing efforts.

The policy dialogue flowing from these resources presents both opportunities and limitations. The U.S. Government by choice and because of the small scale of our AID program, does not take the lead in macroeconomic policy dialogue. The overall country team's role is supportive of the IMF and the USAID itself focuses its attention on those areas where we make a major program contribution - agriculture, health, nutrition, population. In these sectors we often take the initiative in formulating new policy directions or in lobbying for change. This has been accomplished within the context of the local donor group which meets frequently with the Minister of Agriculture. Or it may mean direct one-on-one dialogue with concerned Ministries, as is the case in health. While the United States Government has much influence because it is the U.S.G., we have found a definite correlation between our program inputs into a sector and the responsiveness of the GOZ. Thus policy change successes have been concentrated in agriculture - lifting farmgate ceilings, private sector marketing - and health - user fees, PVO involvement.

A further word on implementation problems is in order. The difficulties of carrying out programs in Zaire are in the forefront of Washington's thinking. The unmet development opportunities are far less appreciated. Certainly GOZ budget difficulties, limited trained/experienced manpower, shaky institutions and uncertain policies, made worse by the serious macroeconomic situation, make progress difficult. Yet if we are to believe the combined findings of recent evaluations of our projects in agriculture and health, we get a different picture. Not only is our current, stripped down, core program achieving its objectives, but is having an impact on the target group: a jump in corn produced in North Shaba and flowing into the deficit sub-regions of South Shaba, thousands of fish ponds spreading from farmer to farmer, major child vaccination programs in place - all through new institutions and trained manpower, with success significantly stemming from policy changes and major PVO, private sector involvement.

What we have here, in terms of our program concentration, is a situation where unmet development opportunities exceed obstacles imposed by macro and sectorial constraints. We could, without difficulty and with excellent prospects of success, carry out in FY 85 a development assistance program in the range of \$15-20 million with a PL 480, Title I level in the same range.

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TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT (\$000)
 COUNTRY/OFFICE ZAIRE

	FY 1983	FY 1984		FY 1985	PLANNING PERIOD			
	ESTIMATE	CP	ESTIMATE	AAPL	1986	1987	1988	1989

AGRICULTURE, RURAL DEV & NUTRI- TION								
Totals	6,181	8,408	7,100	9,886	8,500	6,900	8,800	10,400
Grants	6,181	8,408	7,100	9,886	8,500	6,900	8,800	10,400
Loans	-	-	-	-	-	-	-	-
POPULATION TOTAL	2,000	1,592	1,592	-	-	2,000	1,800	600
Grants	2,000	1,592	1,592	-	-	2,000	1,800	600
Loans	-	-	-	-	-	-	-	-
(Cent. Proc. Commod.)			(900)	(780)				
HEALTH TOTAL	1,035	-	1,308	1,114	2,200	2,300	1,200	1,400
Grants	1,035	-	1,308	1,114	2,200	2,300	1,200	1,400
Loans	-	-	-	-	-	-	-	-
EDUCATION TOTAL	319	-	-	-	800	800	800	600
Grants	319	-	-	-	800	800	800	600
Loans	-	-	-	-	-	-	-	-
SELECTED DEV ACT S								
TOTAL	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
FUNCTIONAL SUBTOTAL								
Grants	9,535	10,000	10,000	11,000	11,500	12,000	12,600	13,000
Loans	-	-	-	-	-	-	-	-
DA Accts Total								
Grants	9,535	10,000	10,000	11,000	11,500	12,000	12,600	13,000
Loans	-	-	-	-	-	-	-	-
(of which PVOs)	(1,800)		(2,800)	(1,500)	(2,000)	(2,800)	(2,800)	(2,800)
ESF Total								
Grants	7,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Loans	-	-	-	-	-	-	-	-
DA and ESF Total								
Grants	16,535	20,000	20,000	21,000	21,500	22,000	22,600	23,000
Loans	-	-	-	-	-	-	-	-
PL-480 (non-add)								
Title I	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
(of which Title III)								
Title II	1,100	2,066	2,100	2,200	2,300	2,400	2,500	2,600
Housing Guaranties	-	-	-	-	-	-	-	-
TOTAL PERSONNEL								
USDH	22.8		22.0	21.0	20.0			
FNDH	11.1		16.0	16.0	16.0			

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

Country/Office _____			
<u>APPROPRIATION ACCOUNT</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>
<u>Agriculture, Rural Development & Nutrition</u>	<u>6,181</u>	<u>7,100</u>	<u>9,886</u>
660-0059 North Shaba Rural Development (G)	2,000	1,900	1,300
660-0070 Agricultural Sector Studies (G)	193	-	-
660-0079 Area Nutrition Improvement (G)	2,000	-	1,286
660-0091 Applied Agricultural Research (G)	1,988	2,800	2,600
660-0098 Agricultural Marketing Develop.(G)	-	2,400	1,400
660-0102 Area Food and Market Development (G)	-	-	3,300
<u>Population</u>	<u>2,000</u>	<u>1,592</u>	<u>-</u>
660-0094 Family Planning Services (G)	2,000	1,592	-
<u>Health</u>	<u>1,035</u>	<u>1,308</u>	<u>1,114</u>
660-0086 Basic Rural Health (G)	1,035	-	-
660-0101 School of Public Health (G)	-	1,308	1,114
<u>Education and Human Resources</u>	<u>319</u>	<u>-</u>	<u>-</u>
660-0068 Development Manpower Trg. (G)	319	-	-
TOTAL ALL DA APPROPRIATION ACCOUNTS	9,535	10,000	11,000
<u>Economic Support Fund</u>	<u>7,000</u>	<u>10,000</u>	<u>10,000</u>
660-0097 Commodity Import Program	7,000		
660-0100 Agricultural Inputs Support		10,000	
660-0103 Agricultural Inputs Support II			10,000
TOTAL DA AND ESP	16,535	20,000	21,000

TABLE IV PROJECT BUDGET DATA

Number	Title	G/L	OBL Date	Init.	Final	Total Cost	Planned	Pipeline											
								FY82	FY83	FY84	FY85	FY86	FY87	FY88	FY89	OBL	Funded	Thru	OBL
660-0026	Ag. Marketing Dev.	L	79	79	5,000	5,000	4,510	-	1,930	-	1,635	-	9/85	-	-	-	-	-	
660-0028	Ag. Marketing Dev.	L	81	82	4,000	4,000	4,000	-	980	-	2,360	-	9/85	-	-	-	-	-	
660-0052	Ag. Economic Dev.	G	77	80	2,169	2,169	886	-	402	-	234	-	12/83	-	-	-	-	-	
660-0059	North Shaba Rural Dev. (PC)	G	76	85*	9,925	15,125	2,085	2,000	1,650	1,900	3,657	1,300	9/86	-	-	-	-	-	
660-0059	North Shaba Rural Dev.	L	76	76	3,500	3,500	1,080	-	1,080	-	-	-	9/83	-	-	-	-	-	
660-0064	INERA Support	G	77	81	2,950	2,950	1,091	-	510	-	347	-	9/85	-	-	-	-	-	
660-0070	Ag. Sector Studies	G	77	83	2,980	2,980	2,647	193	910	-	1,100	-	3/87	-	-	-	-	-	
660-0077	Cassava Outreach	G	78	82	3,027	3,027	2,420	-	620	-	880	-	3/85	-	-	-	-	-	
660-0079	Area Nutrition Imp. (PVO/I/U)	G	82	85	4,300	4,300	1,014	2,000	510	-	880	1,286	9/87	-	-	-	-	-	
660-0080	Fish Culture Expansion (PC)	G	78	82	486	486	470	-	206	-	184	-	12/85	-	-	-	-	-	
660-0091	Applied Ag. Res. (PVO/I/U)	G	83	86*	-	10,000	-	1,988	250	2,800	2,550	2,600	6/87	2,612	-	-	-	-	
660-0098	Ag. Marketing Dev. Area Food and Market	G	84	88*	-	8,000	-	-	-	2,400	480	1,400	12/86	1,400	1,400	1,400	-	-	
660-0102	Dev. (PVO/I/U)(PC)	G	85	92	-	15,000	-	-	-	-	-	3,300	10/86	2,500	1,700	1,700	2,000	-	
660-0104	Fish Culture Expansion II (PC)	G	86	86	-	700	-	-	-	-	-	-	-	700	-	-	-	-	
660-0108	Area Nutrition Imp II (PVO/I/U)	G	86	89	-	4,000	-	-	-	-	-	-	-	1,288	1,000	1,000	712	-	
660-0109	Applied Ag. Res II (PVO/I/U)	G	87	90	-	8,000	-	-	-	-	-	-	-	-	2,800	2,600	1,500	-	
Appropriation Total						38,337	89,237	20,203	6,181	9,048	7,100	14,307	9,886		8,500	6,900			
Grant						25,837	76,737	10,613	6,181	5,058	7,100	10,312	9,886		8,500	6,900			
Loan						12,500	12,500	9,590	-	3,990	-	3,995	-		-	-			

Number	Title	ORL Date (I, Int, Final)	Total Cost Auth. Planned Pipeline	FY82	FY83	FY84	FY85	FY86	FY87	FY88	FY89	
				ORL. Expend	ORL. Expend	ORL. Expend	ORL. Expend	ORL. Expend	ORL. Expend	ORL. Expend	ORL. Expend	
<u>Population</u>												
660-0094	Family Planning Ser- vices (PVO/I/R)(PC)	G 82 84	3,940 3,940	348	2,000	465	1,592	1,550	-	9/87	-	
660-0110	Family Planning Ser- vices TI (PVO/I/R) (PC)	G 87 90	- 5,000	-	-	-	-	-	-	-	2,000 1,800 600	
<u>Appropriation Total</u>				3,940 8,940	348	2,000	465	1,592	1,550	-	2,000	
Grant				3,940 8,940	348	2,000	465	1,592	1,550	-	2,000	
Loan				-	-	-	-	-	-	-	-	
<u>Health</u>												
660-0057	Health Systems Dev- lopment (PC)	G 76 80	610 610	389	-	133	-	-	-	-	-	
660-0058	Endemic Disease Control (PC)	G 76 80	887 887	269	-	92	-	-	-	-	-	
660-0067	Basic Family Health (PVO/I/R)	G 80 80	50 50	7	-	7	-	-	-	-	-	
660-0086	Basic Rural Health (PVO/I/R)(PC)	G 81 83	4,864 4,864	3,711	1,035	1,580	-	1,520	-	9/86	-	
660-0093	Integrated Rural Dev. (OPG/U/R)	G 81 81	489 489	416	-	320	-	96	-	-	-	
660-0101	School of Public Health	G 84 87	- 3,522	-	-	1,308	240	1,114	12/86	-	1,100	
660-0107	Basic Rural Health TI (PVO/I/R)(PC)	G 86 89	- 6,000	-	-	-	-	-	-	-	2,200 1,200 1,200 1,400	
<u>Appropriation Total</u>				6,900 16,422	4,792	1,035	2,132	1,308	1,856	1,114	2,200	2,300
Grant				6,900 16,422	4,792	1,035	2,132	1,308	1,856	1,114	2,200	2,300
Loan				-	-	-	-	-	-	-	-	

Number	Title	OBL Date	g/L	Init.	Final	Total Cost	FY82	FY83	FY84	FY85	FY86	FY87	FY88	FY89
						Auth.	Planned	Pipeline	OBL Expend	OBL Expend	AAPL Thru	OBL	OBL	OBL
660-0068	Development Man- power Training	80	G	83	2,544	2,544	2,035	319	496	-	550	-	-	-
660-0106	Development Man- power Training	86	G	89	-	3,000	-	-	-	-	-	800	800	800
	Appropriation Total				2,544	5,544	2,035	319	496	-	550	-	-	-
	Grant				2,544	5,544	2,035	319	496	-	550	-	-	-
	Loan				-	-	-	-	-	-	-	800	800	-
<u>Selected Development</u>														
<u>Activities</u>														
660-0032	Transport Sector	70	L	70	10,000	10,000	292	-	250	-	22	-	-	-
	Appropriation Total				10,000	10,000	292	-	250	-	22	-	-	-
	Grant				-	-	-	-	-	-	-	-	-	-
	Loan				10,000	10,000	292	-	250	-	22	-	-	-
<u>Total Development</u>														
	Assistance				61,721	130,143	27,670	9,535	12,391	10,000	18,285	11,000	-	-
	Grant				39,221	107,643	17,788	9,535	8,151	10,000	14,268	11,000	-	-
	Loan				22,500	22,500	9,882	-	4,240	-	4,017	-	-	-

Number	Title	G/L	Date	Inlt.	Final	Total Cost	Auth.	Planned	Pipeline	PY82	PY81	PY84	PY85	PY86	PY87	PY88	PY89
										OHT.	Expend	OHT.	Expend	OHT.	Expend	OHT.	Expend
<u>Economic Support Fund</u>																	
660-K-025	Ag. Marketing Support	L	78	78	78	5,400	5,400	4,354	-	4,354	-	-	-	-	-	-	-
660-0052	Ag. Economic Dev.	G	77	80	80	1,561	1,561	62	-	62	-	-	-	-	-	-	-
660-0057	Health Systems Dev. (PC)	G	76	80	80	667	667	35	-	-	-	-	-	-	-	-	-
660-0058	Endemic Disease Control (PC)	G	76	80	80	1,380	1,380	106	-	44	-	-	-	-	-	-	-
660-0064	INERA Support	G	77	81	81	900	900	85	-	85	-	-	-	-	-	-	-
660-0070	Ag. Sector Studies	G	77	83	83	500	500	22	-	22	-	-	-	-	-	-	-
660-0077	Cassava Outreach	G	78	82	82	1,473	1,473	408	-	408	-	-	-	-	-	-	-
660-0080	Fish Culture Expansion (PC)	G	78	78	78	464	464	94	-	94	-	-	-	-	-	-	-
660-0097	Commodity Import Program	G	83	83	83	-	7,000	-	7,000	-	-	5,500	-	-	-	-	-
660-0100	Ag. Inputs Support	G	84	84	84	-	10,000	-	-	-	10,000	2,000	-	-	-	-	-
660-0103	Ag. Inputs Support II	G	85	85	85	-	10,000	-	-	-	-	-	-	10,000	9/88	-	-
660-0105	Ag. Inputs Support III	G	86	86	86	-	10,000	-	-	-	-	-	-	-	-	10,000	-
660-0111	Ag. Inputs Support IV	G	87	87	87	-	10,000	-	-	-	-	-	-	-	-	10,000	-
<u>Appropriation Total</u>																	
Grant						12,345	59,345	5,166	7,000	5,069	10,000	7,500	10,000	10,000	10,000	10,000	10,000
Grant						6,945	53,945	812	7,000	715	10,000	7,500	10,000	10,000	10,000	10,000	10,000
Loan						5,400	5,400	4,354	-	4,354	-	-	-	-	-	-	-
<u>Program Total</u>																	
Grant						74,066	189,488	32,836	16,535	17,460	20,000	25,785	21,000	21,000	21,000	21,500	22,000
Grant						46,166	161,588	18,600	16,535	8,866	20,000	21,768	21,000	21,000	21,500	22,000	22,000
Loan						27,900	27,900	14,236	-	8,594	-	4,017	-	-	-	-	-

SCHOOL OF PUBLIC HEALTH (660-0101)

PURPOSE: To assist the School of Public Health in expanding its program in Public Health Education and Training so as to provide an adequate supply of trained manpower for the country's goal of "Health for all by the year 2000".

SUMMARY DESCRIPTION OBJECTIVES AND ISSUES TO BE ADDRESSED

The project responds to an expressed desire of the Ministry of Public Health and the School of Public Health (part of the faculty of medicine) to expand and upgrade the school's competence to meet the needs for trained public health personnel. One of the most serious constraints to effective public health programming is the lack of an appropriately trained public health cadre. Characteristically, higher level positions have been filled by physicians and senior technicians, who often have little relevant training in public health planning or administration. To date the response to this constraint has been to train Zairians outside the country, particularly in Europe and the United States. This approach has shortcomings: 1) It is expensive, 2) there is a language problem, 3) training is often inappropriate and is not a realistic preparation for working in the Zairian environment. The faculty of medicine at Kinshasa University already has some of the basic elements necessary to provide this education and training. These include an institutional structure, classroom and office space and a small but competent core teaching staff.

Project activities will consist of: 1) The development of a more varied and in-depth public health program for the faculty of medicine; 2) Long and short-term participant and in-country training for Zairian professors; 3) Books and audio-visual equipment to create and equip a good basic public health library; 4) Development of improved program administration capacity through the provision of technical assistance, vehicles and office equipment.

AID's policies and USAID's health strategy are to develop the institutions, manpower capability, and infrastructure to mount major development programs in, inter alia, maternal child health, nutrition and family planning. The development of the school's capacity to provide appropriate training for high level public health personnel is an important element in the achievement of this strategy. This cadre is essential to the successful conclusion of all AID-funded projects which are concentrating on achieving increased human well-being through the prevention, control and treatment of the most serious endemic diseases. Thus a major gap in the achievement of self-sustaining health programs will be filled.

No overriding issues remain to be resolved at this point.

Major Output

A School of Public Health at Kinshasa University capable of providing high quality in-service and MPH training to a sufficient number of Zairians to develop the cadre of trained professionals needed to achieve the GOZ's goal of "Health for all by the year 2000".

BENEFICIARIES: The project will directly benefit those personnel who will be trained by the school of Public Health. The school will benefit from the expansion/upgrading of its present teaching capacity. Indirect beneficiaries will be the people of Zaire, especially the rural population most in need of improved health services.

By 1990 public health professionals will be serving in 300 "health zones" with a population of nearly 20 million. Approximately one half of these health zones will be supervised by PVOs and other non-governmental organizations, (i.e. churches, private companies). Staff from PVOs and private companies will be included in the training courses. It is planned that 20 Zairians will be trained outside the country commencing the first two years of the project. Ten students will spend approximately two years (24 pm) for at total of 240 pm at a cost of \$ 480,000. A further 10 Zairians will participate in short-term training for a total of 30 PM at a cost of \$120,000. Once trained these participants will return directly to the faculty of the School of Public Health.

FY 1984 PROGRAM: Participating agents mobilized, equipment ordered, long-term technical assistance team arrives in country and begins work. Curriculum developed, first group of long-term participants identified and training begun.

HOST COUNTRY AND OTHER DONORS: The GOZ will provide the physical infrastructure, personnel and operating expenses. WHO is expected to provide some technical assistance.

PROPOSED DEVELOPMENT ASSISTANCE (HEALTH) INPUTS (GRANT)

	\$000		
	FY 84	FY 85	LOPC
Personnel			
Long-term	760	760	2100
Short-term	140	99	500
Training			
Ten long-term Participants	180	180	480
Ten short-term Participants	28	52	120
Commodities	200	50	322
	<u>1308</u>	<u>1141</u>	<u>3522</u>

AREA FOOD AND MARKET DEVELOPMENT 660-0102

PURPOSE: To help alleviate Zaire's chronic shortages of basic foods and increase services access and economic opportunities for the typical area farm family and small-town resident.

SUMMARY DESCRIPTION, OBJECTIVES AND ISSUES TO BE ADDRESSED: This project focuses on the agricultural sector and represents the next step in the removal of agricultural production/marketing constraints initiated by the lead-in Agricultural Marketing Development Project (660-0098). The Area Food and Market Development Project (AFAM) will focus on increasing and sustaining the production and marketing of smallholder agricultural commodities (both basic food and export crops) while concurrently strengthening local institutions (private and public) to sustain the project's activities after project termination. The project will be located on an all-weather access route of a large demand center in a relatively densely populated area characterized by fragmented, undeveloped market conditions but comparatively good agricultural potential in terms of soils and rainfall. Lessons learned from Project North Shaba will be built into the design.

Project activities will consist of: 1) the rehabilitation of several hundred km of rural feeder roads* and the development of a rural roads maintenance system for these and Project 0098 bridges and secondary roads** within a local institution; 2) development of an improved seed multiplication/distribution program within a private area institution; 3) development of appropriate technologies and farming practices; 4) strengthening existing agricultural extension systems (DOA, private agents) through training and through linking them with the various agricultural commodity research programs already funded by USAID and other donors; 5) initiation of an agricultural commodity commercialization system by giving small scale economic operators access to short-term credit, trucks, storage, handling and packaging; 6) development of a natural resources management program stressing soil conservation and alternative energy sources. These activities will lead to increased production of basic and cash crops. In the area, an equitable distribution of project benefits is anticipated to follow from the stress upon basic food crops and smallholder cash crops, from the emphasis to be placed upon enhancing returns to labor, and from increased interchanges between rural and town producers of goods and services. In the major marketing areas some increase in general welfare is anticipated to be a result of both greater supplies of basic foods and of greater demand in the countryside for basic consumer goods (such as textiles) produced in Zaire. USAID will provide road and agricultural equipment, vehicles (including trucks), spare parts, agricultural inputs and supplies, training and technical services in order to realize project objectives.

The project is entirely consistent with the CDSS. It is tightly focused and has the underlying goal of becoming sustainable in the long term. Hence, USAID seeks to initiate and maintain close association with private sector commercial organizations and voluntary institutions not dependent on GOZ financing but having a vested interest in sustaining project activities.

*Graded surface, 4 meter bed. ** Graded surface, 5 meter bed.

Close association with the private sector is based upon experience in Zaire and elsewhere in Africa and is in accordance with policy concerns of this Administration. This project further conforms to basic AID agricultural policy which supports "increased agricultural production, with an emphasis on increasing and sustaining the productivity, incomes and market participation of small farmers, with special attention to food production, greater economic efficiency in the marketing and distribution, exports and imports, and improved food consumption in rural and urban areas." (AID Policy Paper on "Food and Agricultural Development"). It is also supported by the Africa Bureau in its Food Sector Assistance Strategy Paper.

Two major issues to be addressed as part of the project's development are: a) How, and to what extent, will access to imported inputs introduced by the project (e.g., chemical fertilizer, trucks and spare parts) be assured post-PACD?; and b) Is it possible to set up an effective revolving credit fund for farmers in rural Zaire?

MAJOR OUTPUTS:

-- A local organization and supporting funding mechanism capable of maintaining project-rehabilitated rural roads on a sustainable basis.

-- A private seed multiplication and distribution network with strong links to the national research programs.

-- An extension service capable of effectively transferring improved seed and associated farming techniques, as well as the principles of sound resource conservation and management, to area farmers.

-- Increased national prosperity from regular commercial flows between area villages and urban markets, as a result of improved market access.

-- Greater quantity and selection of consumer goods in village markets as a result of higher farm productivity and increased competition among merchants for local produce.

-- Revolving credit fund to facilitate smallholder marketing.

BENEFICIARIES: This project will increase real incomes in the private sector, principally those of smallholder farm families and town and urban consumers of basic foodstuffs, and secondarily small agro-producers and small to medium sized merchants. The former will be able to become more productive through improved technologies and much more efficient markets moving greatly increased quantities of produce, while the latter will be given greater opportunities to purchase and market agricultural and other commodities to and from the project area. Private institutions, including PVOs, will increase their participation in their area's development. Women will benefit as farmers and consumers, depending upon local customs.

FY 1985 PROGRAM: Participating agents mobilized, some supplies and equipment ordered, local institutions for rural road rehabilitation/maintenance and seed multiplication identified and programs initiated, rural feeder roads and extension program developed, resource management program developed and action agents identified.

HOST COUNTRY AND OTHER DONORS: The GOZ will provide the equivalent of \$ 10,000,000 over the life of project for transport improvements, extension agent support, agricultural inputs, credit, and support to natural resource management program. Participating merchants, other businessmen, and church related organizations located within the area will invest in marketing, transportation, and storage equipment.

The project will be implemented through the Ministry of Agriculture and the office of the regional Governor. The national highway department will have a role to play. Other donors carry out similar projects and may become involved in the proposed activity.

Proposed Development Assistance (Agriculture, Rural Development and Nutrition) Inputs (Grant):

	(\$000)	
	<u>FY 85</u>	<u>All Years</u>
Personnel		
Long term	1,200	5,250
Short term	100	750
Commodities		
Project vehicles, trucks, spare parts, road equipment	<u>2,000</u>	<u>9,000</u>
TOTAL	3,300	15,000

Approximately \$165,000 of the FY 85 obligation will be for the development of a natural resources program stressing soil conservation and alternative energy resources.

AGRICULTURAL INPUTS SUPPORT II 660-0103

PURPOSE: To enhance the productive capacity of Zaire's agricultural sector. The project is expected to increase the supply of agro-inputs to the private sector as well as demand for foods. As a result, Zaire's capacity to formulate employment policies and to absorb and utilize U.S. equipment and materials will be enhanced.

SUMMARY DESCRIPTION, OBJECTIVES AND ISSUES TO BE ADDRESSED:

The project will continue the program assistance started by the previous ESF grant: Agricultural Inputs Supports 660-0100, scheduled for FY 84. Like its predecessor activity, this project will provide American capital equipment, spare parts, and raw materials to selected agricultural, general and transport firms producing for or servicing the domestic market. Categories of equipment, spare parts, and materials will be negotiated with the objective of increasing the productivity of existing private sector facilities.

Agricultural industries presently operate at 20% to 40% of plant capacity due to scarcities of domestic raw materials and of foreign exchange to purchase imported raw materials, replacement components and spare parts. This project will help relieve the foreign exchange bottleneck for these industries and thus increase the chance for sustained success of our food production projects.

This ESF Grant, in conformance with the AID Policy Paper on "Approaches to the Policy Dialogue", will serve as a vehicle for a policy dialogue to promote private sector handling of agricultural inputs. Short term procurement and employment policy assistance to private and public authorities will be a component of this project. Broadly, the project will be used to demonstrate to the GOZ the strong developmental potential of the private sector.

This activity will support AID's priority of Private Enterprise Development, by promoting private sector handling of agricultural inputs and by focusing on the needs of the private sector, in particular the agro-industrial and transport enterprises producing for and supporting the domestic market. The ESF grant also supports the Africa Bureau's "Food Sector Assistance Strategy" and AID policies in that it will serve as a vehicle for "transferring technology and management expertise from the U.S. private sector to small and medium size agro-industry."

The proposed project is advocated in USAID's Country Development Strategy Statement. The bottleneck to USAID food production objectives posed by insufficient useful capacity in industries essential to agriculture would be eased by the project. Employment, and thus effective demand for foods produced by small farmers, would be stimulated. The program would directly complement the P.L. 480 program and other USAID/GOZ project activities in agriculture. Local currency generated by the program's imports will be used in direct support of AID-assisted development projects in Zaire, including

on-lending to the development bank and private enterprises. This is a critical consideration given the GOZ's exceedingly limited budgetary capacities for development project support at present. The project would also demonstrate to the GOZ the continued commitment of the United States to the economic and social stability of Zaire.

Two major issues to be addressed as part of the project's development are: a) The identification of appropriate labor-intensive domestic industries for which the U.S. is a competitive source of capital equipment, raw materials and spare parts; and b) the development of allocation criteria to select firms which will, as a result of the ESF injection of commodities, be capable of assuring their own future supply of essential inputs. Discussions on the exchange regime are expected to figure in development of this project.

MAJOR OUTPUTS:

- Increased utilization of industrial capacity.
- Increased employment opportunities.
- Increased familiarity with and appreciation of U.S. goods and equipment.
- Overall capability of the GOZ to plan and implement employment policy.
- Policy dialogue on aspects of the private sector's role in agricultural development.

BENEFICIARIES:

Initially employees and entrepreneurs in the agricultural sector, particularly those in agro-industrial activities, would benefit in Zaire and in the United States. Increased capacity utilization and employment from commodity availability would be followed by secondary, similar effects from programming of local currency on-lending. Secondly, the GOZ (through enhanced tax receipts), local business and their employees, farmers, shippers, and consumers in Zaire would benefit from greater and more efficient production of goods for the domestic market. Finally, U.S. commercial interests should benefit in the long run from continued utilization of U.S. technology (embodied in products and processes) in the Zairian market.

FY 1985 PROGRAM:

Letters of Credit opened under Bank Letters of Commitment to procure a wide range of U.S. commodities required by the agro-industrial and transport sectors that continue to suffer the effects of pervasive underinvestment and foreign exchange shortages that have existed over the past several years.

HOST COUNTRY AND OTHER DONORS:

The proposed project is strongly supportive of the Government of Zaire's medium-term strategy. It is essential that Zaire's domestic agriculture revive quickly and sustain output of a wide variety of foodstuffs in order to lessen import dependence and to dampen price inflation. The project will be financed solely by AID and the GOZ. A number of other donors are providing similar program assistance.

PROPOSED ESF INPUTS (GRANT):

	(\$000)	
	<u>Economic Support Fund</u>	
	<u>FY 85</u>	<u>LOPC</u>
LT & ST Technical Assistance	500	500
Commodities	<u>9,500</u>	<u>9,500</u>
Total	<u>10,000</u>	<u>10,000</u>

TABLE V - FY 1985 PROPOSED PROGRAM RANKING
PROGRAM ACTIVITY

RANK	DESCRIPTION	ONGOING NEW	Zaire		PROGRAM FUNDING (\$000)	
			LOAN GRANT	APPR ACCT	INCR	CUM
<u>New and Continuing Projects</u>						
1	PL 480 Title I			P1	(10,000)	
2	660-0101 School of Public Health	0	G	HE	1,114	1,114
3	660-0059 North Shaba Rural Development	0	G	ARDN	1,300	2,414
3	660-0091 Applied Agricultural Research	0	G	ARDN	2,600	5,014
3	660-0098 Agricultural Marketing Dev.	0	G	ARDN	1,400	6,414
3	660-0102 Area Food and Market Dev.	N	G	ARDN	3,300	9,714
4	660-0079 Area Nutrition Improvement	0	G	ARDN	1,286	11,000
5	660-0103 Ag. Inputs Support II	N	G	ESF	10,000	21,000
6	PL 480 Title II (Section 206)			P2	(2,200)	21,000
			TOTAL		<u>21,000</u>	

Table V Narrative

The USAID's FY 1985 program will fund activities in support of four major initiatives: policy dialogue including host country policy change; enhancing the contribution of the private sector to Zaire's development; technology transfer; and institution building, including training.

With respect to policy changes, the USAID has been engaging the GOZ in a fruitful dialogue on a number of substantive issues. For example, discussions with the Department of Agriculture have brought about an integrated approach to agricultural research. In addition, our policy dialogue, on a multi-lateral level, assisted in establishing price liberalization for a number of agricultural commodities. This change will not only impact positively on our Applied Agricultural Research project but will also benefit the Agricultural Marketing Development project, and the Area Food and Market Development (AFAM) project, a new initiative scheduled to receive first year funding in FY 1985. An expanded policy dialogue will be structured during negotiations for our ESF program, Agricultural Inputs Support, beginning in FY 84. Special conditions and covenants will be employed to promote private sector handling of agricultural commodities. In addition, the counterpart funds generated under an ESF and P.L.-480 provide the Mission with policy leverage at the sectoral level. This permits us to engage the GOZ in a dialogue ranging from self-help measures to sectoral and sub-sectoral issues.

The USAID has long encouraged initiatives to promote private sector investment and expansion of productive activities. Through the provision of scarce foreign exchange for targeted imports to meet sectoral objectives, the proposed FY 1984 and FY 1985 ESF programs, along with Agricultural Marketing Development, will impact positively on the growth of the private sector and assist the sector in playing a substantial role in the development process. In addition, the private sector will play an integral role in the implementation of the following projects scheduled to receive FY 1985 funding: North Shaba Rural Development(PNS), Applied Agricultural Research, Area Food and Market Development, the School of Public Health and Area Nutrition Improvement. Thus we are able to blend policy dialogue with programs affecting agriculture and health, each reinforcing the other.

Seven projects, exclusive of P.L.-480, are proposed for funding in FY 1985. Of these, five are to be funded from the agriculture, rural development and nutrition appropriation account. This is in keeping with our emphasis on food production and related nutrition. One project is proposed under the Economic Support Fund to provide required commodity imports to the agricultural sector. One project is to be funded from the Health appropriation account.

All projects are a combination of institution building, technology transfer and training.

All activities in the USAID'S program are interrelated and cannot be viewed in isolation. To pull one out weakens the rest. For example, without a steady flow of trained manpower our efforts in building up a sound, sustainable rural health system will go for naught. An expanded and upgraded School of Public Health is the only means in Zaire of producing that manpower. We rank this

project first so as to protect much effort and many millions of dollars of previous U.S. investment as well as to sustain Zaire's growing rural health system. Again our Applied Agriculture Research project will use the area development projects (PNS, AFAM) as outreach centers and for field trials. Since improved seed is essential to increased food production, without a solid research system production efforts will soon run out of steam. So we look upon our health and agriculture activities as a multi-pronged attack on a given set of constraints: the Area Nutrition project is to be the valued link between the health and agriculture systems in Zaire while PL-480 provides the projects with the local currency support without which they could not operate except by doubling the development assistance budget. ESF would also be integrated into the agriculture production/marketing package and help expand and speed up accomplishments of stated objectives.

The fact that the USAID is asking for development assistance funding for only six projects in FY 85 clearly shows that we stripped our program down to a minimal core of activities. Thus we can't help but believe that in the USAID'S case numerical rankings are quite artificial and misleading. Thus we have shown the way we view our program by grouping projects in the "ranking" column.

Unfortunately, the workforce allocated to USAID is inadequate to design and manage the AID/W proposed FY 1985 program levels. USAID's workforce is to drop from 25 workyears in FY-83, to 22 workyears in FY-84, 21 in FY-85, and 20 in FY-86. If these reductions are sustained, USAID must drop its two lowest ranked program activities: FFP Title II, and the ESF-funded Agriculture Inputs Support activity. Furthermore, we will be unable to undertake the Fish Culture Expansion II and the Area Nutrition Improvement II, projects slated for FYs 1986 and 1987. (Please see the Table IX Narrative for additional detail.)

EVALUATION PLAN

A. Issues Narrative

USAID is working off a backlog of evaluations in FY 83 and consequently is scheduling fewer evaluations in FYs 84-85. In FY 83, the focus for evaluations was on the agricultural sector: eight out of 12 projects evaluated or yet to be evaluated are agricultural marketing, research and national planning projects.

In FYs 84-85, 12 evaluations will be undertaken: 10 project and two program evaluations. Eight out of the 10 project evaluations scheduled will be in USAID's second priority sector: health (including nutrition and family planning).

The priority for USAID's FYs 84-85 evaluation period will be to evaluate agricultural and health projects which have reached mid-point or are due to enter another phase. The focus of the evaluations will be two-pronged: 1) to determine whether resources expended are being effectively employed and to provide information on the lessons learnt which can serve as the basis for making future decisions; 2) to examine USAID's Health Sector Program to determine if individual health projects are accomplishing the Mission's sectoral objectives by integrating and reinforcing one another's efforts.

The Health Sector Program Evaluation will be scheduled in three phases and will include evaluations of the current PL 480 Title II Program, several health projects, and finally the Area Nutrition Improvement and Family Planning Projects. The SSA program (Agricultural Marketing Support Loan 660-K-025) will also be evaluated in FY 84.

There is a two - way relationship between the evaluations planned for FYs 84-85 and the FY 85 project ranking. There are no projects scheduled for additional phase funding in FY 85. The Project Ranking Table (Table V) includes six DA projects, one ESF project as well as the PL 480 Title I and proposed Title II programs. All five of the ongoing DA projects appearing in the Project Ranking Table will receive incremental funding. Two of these five projects, the Area Nutrition Improvement Project 660-0079 and the North Shaba Rural Development Project 660-0059 will be evaluated in FY 85 and the progress towards meeting objectives will be measured and key issues will be identified.

The decision to go through with incremental funding of the Applied Agricultural Research Project 660-0091 will be based on project monitoring and evaluation findings of predecessor or sister projects in FY 83 through FY 85. The other DA project included in the Ranking Table is the Area Food and Market Development Project 660-102 scheduled for first year funding in FY 85. Evaluations to be held in FY 84 and 85 will serve to derive useful lessons to design and implement this new project. The Agricultural Marketing Support Loan 660-K-025, will be evaluated in FY 84 and a hard look will be given to determine its effectiveness and impact for similar possible activities.

Finally, the current PL 480 Title II program will be reviewed in early FY 84 to measure its impact on beneficiaries and the cost effectiveness of the present approach. This should be of value to all African USAIDs with similar programs.

USAID intends to address six key issues in its evaluation work. The issues derive from USAID's program priorities and strategies. Also, they are based on the mission's FYs 85-89 CDSS and on priorities of this administration. These issues are discussed below:

1. Policy Dialogue

In FY 83, USAID identified several policy issues which are being actively negotiated with the GOZ. The policy dialogue on these and other issues will continue during FYs 84-85. However, the effectiveness of the dialogue with the GOZ has not yet been measured. USAID will examine the nature of the dialogue in progress in each sector being evaluated and will recommend ways to improve the quality and the effectiveness of the dialogue. This progress will be measured against established benchmarks.

2. Planning and Management Skills Development

USAID is assigning an increasing importance to the development of planning and management skills in its on-going projects. Past evaluations have shown that project technical assistance contractors do not transfer management skills adequately. Alternative ways of transferring these skills will be examined (i.e. through in-country training, technical assistance contractors).

3. Financial sustainability

Because of Zaire's difficult economic condition, USAID projects are suffering from inadequate GOZ financial support. To what extent and how projects should be made more financially independent from the GOZ are questions that will be addressed.

4. Technology Transfer

Technology transfer through training and commodity inputs is an important part of USAID's objectives. The degree of success of projects in transferring technology and appropriateness of the technology being transferred will receive close examination.

5. PVO utilization

Local PVOs, in particular religious communities, provide much of the educational, health and agricultural support services. Many of USAID's projects depend on this PVO infrastructure. The question of the mix between outside technical assistance and local PVOs in order to carry out USAID's development assistance work will be examined in the context of particular projects. Also, how USAID could use PVOs more effectively will be closely examined.

6. Coordination with other donors

Generally, USAID has a good relationship with the donor community. However, USAID plans to strengthen this relationship. The question of how USAID's projects and program priorities and strategies can best be implemented by establishing closer contacts with the other donors will be examined during each project evaluation.

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

Project List (Project No. & Title)	Last Eval		FY 1984		FY 1985		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral AID Assistance
	Completed (Mo./Yr.)	Start (Qtr)	To AID/M (Qtr)	Start (Qtr)	To AID/M (Qtr)					
660-0059 North Shaba Rural Development	6.82 No. 82.1			2		3	PACD - 9/86 Mid-point evaluation of project extension. The purpose of the evaluation is to determine the level of success the project is having in integrating all project components into the private sector. Whether data collection is still serving the need of the project will be evaluated. Key issues: 1+2+3+4+5+6	PD&S 50	30	AID/M TDY - 2 x 30 days REDSO TDY - 21 days Contractor - 21 days
660-0079 Area Nutrition Improvement				3		4	PACD - 9/87 Mid-point evaluation. The evaluation of this project will include measuring the progress made toward meeting project outputs, purpose and goal. The degree of coordination of this project with other projects including the PL 480, the health and agriculture program, will be evaluated as part of the Health Sector Program Evaluation. Key issues: 1+2+3+4+5+6	Project 40	20	AID/M TDY - 21 days Contractor - 21 days

8
2
1

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

Project List (Project No. & Title)	FY 1984		FY 1985		Reason/Issue	FUNDING SOURCE (\$000)	USAID Person Data	Collateral AID Assistance
	Last Eval Completed (Mo./Yr.)	Start To (Qtr) AID/Y (Qtr)	Start To (Qtr) AID/Y (Qtr)	Start To (Qtr) AID/Y (Qtr)				
660-0080 Fish Culture Expansion		2	3			Project 25	15	Contractor - 21 days
				1				
				2				
698-0407.027 Kionzo Potable Water Supply						Contract 1 (equi part valent funds)	10	none

PACD - 9/84
 End of project evaluation.
 The project has been very successful at transferring simple technology with very little outside assistance. USAID will take a close look at the grass-root principles guiding this project to determine whether these same principles can be integrated into other USAID projects activities. The role of the Govt Dept. of Agriculture and Rural Dev in this project will be evaluated.
 Key Issues: 1+2+3+4+5+6

PACD 2/84
 End of project evaluation.
 The success of this project in meeting its objectives and purpose will be evaluated. In particular, the cost effectiveness of this activity will be examined. As part of this evaluation, the lessons learnt from this project will be recorded and integrated into the mission's Health Sector Program.
 Key Issues: 2+3+4+5

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

Project List (Project No. & Title)	Last Eval Completed (Mo./Yr.)	FY 1984 Start To AID/W (Qtr)	FY 1985 Start To AID/W (Qtr)	Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral AID Assistance
698-0407.35 Zaire Photovoltatic Communications			1	2 PACD - 4/84 Joint evaluation with 698-0407.27 project. However, this project will not be included in the Health Sector Program Evaluation. Key issues: 2+3+4+5	Counter part funds	1.5 equi- valent	10 none
<u>Population</u> 660-0094 Family Planning Services			3	4 PACD - 9/87 Mid-point evaluation. The progress made in meeting the project's outputs, purpose and goal will be evaluated. The question of how this project can best relate to the other USAID health projects will be addressed as part of the evaluation. Key issues: 1+2+3+4+5+6	Project	40	20 AID/W - 21 days REDSO - 21 days AVS - 21 days JH Piego - 21 days
<u>Health</u> 660-0067 Basic Family Health		4*	4*	PACD - 11/82 End of project Evaluation. This project is the predecessor project of 660-086. The issue of whether this project is financially and institutionally sustainable will be examined. Lessons will be recorded and integrated in USAID's Health Sector Evaluation. Key issues: 2+3+4+5	Counter part funds	1.5 equi- valent	10 none

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

Project List (Project No. & Title)	Last Eval Completed Start (Mo./Yr.) (Qtr)	FY 1984 Start To AID/W (Qtr)	FY 1985 Start To AID/W (Qtr)	Reason/Issue	Funding Source (\$000)	USAID Person Days	Collateral AID Assignment
660-0086 Basic Rural Health		3*	4*	<p>PAID - 9/86 Mid-point evaluation. The success of this project in estab- lishing sustainable community Health programs will be the focus of this eva- luation. In particular, the pharmaceu- tical and other equipment supply line will be examined. Also, levels and types of training programs will be evaluated. The possible program links between this project and USAID's Nutri- tion, Family Planning and the CCCD pro- ject will be examined as part of the Health Sector Program Evaluation. Key Issues: 1+2+3+4+5+6</p>	Project 80	20	<p>AID/W TOY - 21 days HEDSO - 21 days Contractor - 2 x 21 days</p>
660-0093 Integrated Rural Development (ORC)		3*	4*	<p>PAID - 12/84 End of project evaluation. The progress made by this project in reaching project outputs purpose and goal will be evaluated. Lessons learnt will be integrated in USAID's overall Health Sector Program as part of the Health Sector Evaluation. Key Issues: 2+3+4+5</p>	<p>Counter 1.0 part (equi- valent)</p>	10	none

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

Project List (Project No. & Title)	FY 1984		FY 1985		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral AID Assistance
	Completed (Mo./Yr.)	Start (Qtr)	Completed (Mo./Yr.)	Start (Qtr)				
698-0421 Combating Childhood Communicable diseases			4	4	PACD - 12/86 Mid-point evaluation. This AID/W project will be evaluated to determine progress made in meeting outputs, purpose and goal. The exist- ing and potential relationship of this project with USAID's other Health Sector Projects will be examined. Key issues: 1+2+3+4+5+6	Project 30	15	To be determined by AID/W
<u>Economic Support</u> <u>Fund</u> 660-K-025	3	4			PACD - 9/83 End of activity evaluation. The pro- cedures of this ESP loan will be eva- luated. Choice of commodities will be evaluated and an attempt will be made to study the impact of these commodi- ties on the beneficiaries. Generally, downstream effects and implementation mechanisms will be examined, in pre- paration for future USAID ESP projects. Key issues: 1+4+5+6	PD&S 30	15	RENDSO - 15 days Contractor - 21 days

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

Project List -- (Project No. & Title)	Last Eval. FY 1984		FY 1983		Reason/Issue	Funding Source (\$000)	USAID Person Data	Collateral AID Assistances
	Completed (Mo./Yr.)	Start To AD/W (Qtr)	Start To AD/W (Qtr)	AD/W (Qtr)				
PL 480 Title II Program Review		1	2		PACD - N/A The first phase of USAID's Health Sector Program Evaluation will be a review of the Title II program in Zaire. One major issue to be examined is the impact of the take-home food on child nutrition. The accomplishments of the self-help agricultural projects undertaken, the selection of the beneficiaries and the cost effectiveness of importing Title II foods versus using local foods will be reviewed.	Central Funds 60	20	AID/W TDY - 30 days Contractor - 2 x 30 days.

ORGANIZATION		USAID/ZAIRE				
EXPENSE CATEGORY	FUNCTION CODE	OBJECT CLASS	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
<u>U.S. DIRECT HIRE</u>	U100		1,814.9		1,814.9	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	996.3		996.3	22.8
PT/TEMP U.S. BASIC PAY	U102	117				
DIFFERENTIAL PAY	U103	116	169.5		169.5	XXXXX
OTHER AID/W FUNDED O.C. 11	U104	119				XXXXX
OTHER MISSION FUNDED O.C 11	U105	119				XXXXX
EDUCATION ALLOWANCES	U106	126	70.6		70.6	18
RETIREMENT U.S.	U107	120	71.7		71.7	XXXXX
LIVING ALLOWANCES	U108	128	168.7		168.7	XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	37.8		37.8	XXXXX
OTHER MISSION FUNDED O.C.12	U110	129	10.3		10.3	XXXXX
POST ASSIGNMENT TRAVEL	U111	212	36.0		36.0	7
POST ASSIGNMENT FREIGHT	U112	22	59.1		59.1	7
HOME LEAVE - TRAVEL	U113	212	61.8		61.8	14
HOME LEAVE - FREIGHT	U114	22	40.1		40.1	14
EDUCATION TRAVEL	U115	215	19.4		19.4	18
R AND R TRAVEL	U116	215	61.6		61.6	30
ALL OTHER CODE 215 TRAVEL	U117	215	12.0		12.0	8
<u>FOREIGN NATIONAL DH</u>	U200		31.8	137.6	169.4	XXXXX
BASIC PAY	U201	114	31.8	87.4	119.2	11.1
OVERTIME, HOLIDAY PAY	U202	115		1.8	1.8	.3
ALL OTHER CODE 11 - FN	U203	119				XXXXX
ALL OTHER CODE 12 - FN	U204	129		48.4	48.4	XXXXX
BENEFITS FORMER FN PERS.	U205	13				XXXXX
<u>CONTRACT PERSONNEL</u>	U300		356.3	111.6	467.9	XXXXX
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113	356.3	111.6	467.9	83
ALL OTHER U.S. PSC COSTS	U303	255				XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113				
ALL OTHER F.N. PSC COSTS	U305	255				XXXXX
<u>HOUSING</u>	U400		392.0	295.0	687.0	XXXXX
RENT	U401	235	317.1	35.0	352.1	28.4
UTILITIES	U402	235		70.0	70.0	XXXXX
RENOVATION AND MAINT.	U403	259				XXXXX
QUARTERS ALLOWANCE	U404	127				
PURCHASES RES. FURN/EQUIP.	U405	311	52.6		52.6	XXXXX
TRANS./FREIGHT - CODE 311	U406	22	17.7		17.7	XXXXX
SECURITY GUARD SERVICES	U407	254		190.0	190.0	XXXXX
OFFICIAL RESIDENCE ALLOW.	U408	254	3.6		3.6	XXXXX
REPRESENTATION ALLOWANCE	U409	252	1.0		1.0	XXXXX

<u>ORGANIZATION</u>		<u>USAID/ZAIRE</u>				
<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		2,116.3	192.4	2,308.7	XXXXX
RENT	U501	234	217.9		217.9	XXXXX
UTILITIES	U502	234				XXXXX
BUILDING MAINT./RENOV.	U503	259				XXXXX
OFFICE FURN./EQUIP.	U504	310	23.3		23.3	XXXXX
VEHICLES	U505	312	51.0		51.0	XXXXX
OTHER EQUIPMENT	U506	319	2.5		2.5	XXXXX
TRANSPORTATION/FREIGHT	U507	22	10.5		10.5	XXXXX
COMMUNICATIONS	U508	230	18.1		18.1	XXXXX
SECURITY GUARD SERVICES	U509	254				XXXXX
PRINTING	U510	24				XXXXX
RIG/II OPERATIONAL TRAVEL	U511	210				
SITE VISITS	U512	210	11.2	40.0	51.2	35
INFORMATION MEETINGS	U513	210				
TRAINING ATTENDANCE	U514	210	14.0		14.0	7
CONFERENCE ATTENDANCE	U515	210	2.0		2.0	1
OTHER OPERATIONAL TRAVEL	U516	210	10.0		10.0	5
SUPPLIES AND MATERIALS	U517	26	131.8	25.0	156.8	XXXXX
FAAS	U518	257	1,436.0		1,436.0	XXXXX
CONSULTING SVCS - CONT.	U519	259				XXXXX
MGT./PROF. SVCS. - CONT.	U520	259				XXXXX
SPEC. STUDIES/ANALYSES CONT.	U521	259				XXXXX
ALL OTHER CODE 25	U522	259	188.0	127.4	315.4	XXXXX
TOTAL O.E. BUDGET			4,711.3	736.6	5,447.9	XXXXX
RECONCILIATION					3,447.9	XXXXX
OPERATING ALLOWANCE REQUEST					2,000.0	XXXXX
OTHER INFORMATION:						
Dollar requirement for local currency costs				-0-		
Exchange rate used (as of May 1, 1983)				5.7		

U.S. \$1 equals 5.7 zaires

TABLE VIII - FY 1984

ORGANIZATION		USAID/ZAIRE				
EXPENSE CATEGORY	FUNCTION CODE	OBJECT CLASS	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
<u>U.S. DIRECT HIRE</u>	U100		<u>1,978.0</u>		<u>1,978.0</u>	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	<u>1,015.8</u>		<u>1,015.8</u>	22.0
PT/TEMP U.S. BASIC PAY	U102	112				
DIFFERENTIAL PAY	U103	116	<u>157.8</u>		<u>157.8</u>	XXXXX
OTHER AID/W FUNDED O.C. 11	U104	119				XXXXX
OTHER MISSION FUNDED O.C 11	U105	119				XXXXX
EDUCATION ALLOWANCES	U106	126	<u>148.5</u>		<u>148.5</u>	30
RETIREMENT U.S.	U107	120	<u>73.7</u>		<u>73.7</u>	XXXXX
LIVING ALLOWANCES	U108	128	<u>240.6</u>		<u>240.6</u>	XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	<u>39.3</u>		<u>39.3</u>	XXXXX
OTHER MISSION FUNDED O.C.12	U110	129	<u>6.8</u>		<u>6.8</u>	XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	<u>16.0</u>		<u>16.0</u>	3
POST ASSIGNMENT - FREIGHT	U112	22	<u>36.8</u>		<u>36.8</u>	3
HOME LEAVE TRAVEL	U113	212	<u>67.3</u>		<u>67.3</u>	16
HOME LEAVE FREIGHT	U114	22	<u>41.6</u>		<u>41.6</u>	16
EDUCATION TRAVEL	U115	215	<u>20.6</u>		<u>20.6</u>	18
R AND R TRAVEL	U116	215	<u>79.2</u>		<u>79.2</u>	28
ALL OTHER CODE 215 TRAVEL	U117	215	<u>34.0</u>		<u>34.0</u>	22
<u>FOREIGN NATIONAL DH</u>	U200		<u>31.8</u>	<u>222.7</u>	<u>254.5</u>	XXXXX
BASIC PAY	U201	114	<u>31.8</u>	<u>157.7</u>	<u>189.5</u>	16
OVERTIME, HOLIDAY PAY	U202	115		<u>3.0</u>	<u>3.0</u>	.3
ALL OTHER CODE 11 - FN	U203	119				XXXXX
ALL OTHER CODE 12 FN	U204	129		<u>62.0</u>	<u>62.0</u>	XXXXX
BENEFITS FORMER FN PERS.	U205	13				XXXXX
<u>CONTRACT PERSONNEL</u>	U300		<u>458.2</u>	<u>58.9</u>	<u>517.1</u>	XXXXX
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113	<u>458.2</u>	<u>58.9</u>	<u>517.1</u>	8
ALL OTHER U.S. PSC COSTS	U303	255				XXXXX
F.N. PSC SALARY/BENEFITS	U304	113				
ALL OTHER F.N. PSC COSTS	U305	255				XXXXX
<u>HOUSING</u>	U400		<u>584.2</u>	<u>437.3</u>	<u>1,021.5</u>	XXXXX
RENT	U401	235	<u>567.9</u>		<u>567.9</u>	28.8
UTILITIES	U402	235		<u>88.3</u>	<u>88.3</u>	XXXXX
RENOVATION AND MAINT.	U403	259				XXXXX
QUARTERS ALLOWANCE	U404	127				
PURCHASES RES. FURN/EQUIP.	U405	311	<u>7.7</u>		<u>7.7</u>	XXXXX
TRANS./FREIGHT - CODE 311	U406	22	<u>4.6</u>		<u>4.6</u>	XXXXX
SECURITY GUARD SERVICES	U407	254		<u>349.0</u>	<u>349.0</u>	XXXXX
OFFICIAL RESIDENCE ALLOW.	U408	254	<u>3.0</u>		<u>3.0</u>	XXXXX
REPRESENTATION ALLOWANCE	U409	252	<u>1.0</u>		<u>1.0</u>	XXXXX

TABLE VIII - FY 1984

<u>ORGANIZATION</u>		<u>USAID/ZAIRE</u>				
<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		2,568.7	203.0	2,771.7	XXXXX
RENT	U501	234	207.7		207.7	XXXXX
UTILITIES	U502	234		28.0	28.0	XXXXX
BUILDING MAINT./RENOV.	U503	259		15.0	15.0	XXXXX
OFFICE FURN./EQUIP.	U504	310	99.2		99.2	XXXXX
VEHICLES	U505	312	18.0		18.0	XXXXX
OTHER EQUIPMENT	U506	319	2.4		2.4	XXXXX
TRANSPORTATION/FREIGHT	U507	22	65.0		65.0	XXXXX
COMMUNICATIONS	U508	230		4.0	4.0	XXXXX
SECURITY GUARD SERVICES	U509	254	15.0		15.0	XXXXX
PRINTING	U510	24				XXXXX
RIG/II OPERATIONAL TRAVEL	U511	210				
SITE VISITS	U512	210	62.3	77.0	139.3	80
INFORMATION MEETINGS	U513	210				
TRAINING ATTENDANCE	U514	210	36.0		36.0	12
CONFERENCE ATTENDANCE	U515	210	19.1		19.1	8
OTHER OPERATIONAL TRAVEL	U516	210	6.0		6.0	2
SUPPLIES AND MATERIALS	U517	26	155.0	32.0	187.0	XXXXX
FAAS	U518	257	1,580.0		1,580.0	XXXXX
CONSULTING SVCS - CONT.	U519	259				XXXXX
MGT./PROF. SVCS. - CONT.	U520	259				XXXXX
SPEC. STUDIES/ANALYSES CONT.	U521	259				XXXXX
ALL OTHER CODE 25	U522	259	303.0	47.0	350.0	XXXXX
TOTAL O.R. BUDGET			5,602.9	921.9	6,542.8	XXXXX
RECONCILIATION					3,788.5	XXXXX
OPERATING ALLOWANCE REQUEST					2,754.3	XXXXX

OTHER INFORMATION:

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

-0-
5.7 zaires

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

45%
45%

ORGANIZATION		USAID/ZAIRE				
EXPENSE CATEGORY	FUNCTION CODE	OBJECT CLASS	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
<u>U.S. DIRECT HIRE</u>	U100		2,099.9		2,099.9	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	1,054.1		1,054.1	21
PT/TEMP U.S. BASIC PAY	U102	112				
DIFFERENTIAL PAY	U103	116	158.2		158.2	XXXXX
OTHER AID/W FUNDED O.C. 11	U104	119				XXXXX
OTHER MISSION FUNDED O.C 11	U105	119				XXXXX
EDUCATION ALLOWANCES	U106	126	130.0		130.0	
RETIREMENT - U.S.	U107	120	73.4		73.4	XXXXX
LIVING ALLOWANCES	U108	128	240.6		240.6	XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	39.4		39.4	XXXXX
OTHER MISSION FUNDED O.C.12	U110	129	7.4		7.4	XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	56.9		56.9	7
POST ASSIGNMENT - FREIGHT	U112	22	89.4		89.4	7
HOME LEAVE - TRAVEL	U113	212	77.0		77.0	21
HOME LEAVE - FREIGHT	U114	22	52.8		52.8	21
EDUCATION TRAVEL	U115	215	22.6		22.6	20
R AND R TRAVEL	U116	215	62.4		62.4	18
ALL OTHER CODE 215 TRAVEL	U117	215	35.7		35.7	22
<u>FOREIGN NATIONAL DH</u>	U200		31.8	311.8	343.6	XXXXX
BASIC PAY	U201	114	31.8	220.8	220.8	16
OVERTIME, HOLIDAY PAY	U202	115		4.2	4.2	.3
ALL OTHER CODE 11 - FN	U203	119				XXXXX
ALL OTHER CODE 12 - FN	U204	129		86.8	86.8	XXXXX
BENEFITS FORMER FN PERS.	U205	13				XXXXX
<u>CONTRACT PERSONNEL</u>	U300		337.0	84.2	421.2	XXXXX
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113	337.0	84.2	421.2	8
ALL OTHER U.S. PSC COSTS	U303	255				XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113				
ALL OTHER F.N. PSC COSTS	U305	255				XXXXX
<u>HOUSING</u>	U400		777.7	671.7	1,449.4	XXXXX
RENT	U401	235	689.2		689.2	31
UTILITIES	U402	235		132.7	132.7	XXXXX
RENOVATION AND MAINT.	U403	259				XXXXX
QUARTERS ALLOWANCE	U404	127				
PURCHASES RES. FURN/EQUIP.	U405	311	52.8		52.8	XXXXX
TRANS./FREIGHT - CODE 311	U406	22	31.7		31.7	XXXXX
SECURITY GUARD SERVICES	U407	254		539.0	539.0	XXXXX
OFFICIAL RESIDENCE ALLOW.	U408	254	3.0		3.0	XXXXX
REPRESENTATION ALLOWANCE	U409	252	1.0		1.0	XXXXX

<u>ORGANIZATION</u>		<u>USAID/ZAIRE</u>				
<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		2,717.2	176.4	2,893.6	XXXXX
RENT	U501	234	225.0		225.0	XXXXX
UTILITIES	U502	234		39.2	39.2	XXXXX
BUILDING MAINT./RENOV.	U503	259		21.0	21.0	XXXXX
OFFICE FURN./EQUIP.	U504	310	38.3		38.3	XXXXX
VEHICLES	U505	312	21.8		21.8	XXXXX
OTHER EQUIPMENT	U506	319	1.0		1.0	XXXXX
TRANSPORTATION/FREIGHT	U507	22	32.0		32.0	XXXXX
COMMUNICATIONS	U508	230		5.6	5.6	XXXXX
SECURITY GUARD SERVICES	U509	254	16.0		16.0	XXXXX
PRINTING	U510	24				XXXXX
RIG/II OPERATIONAL TRAVEL	U511	210				
SITE VISITS	U512	210	70.0	44.8	114.8	60
INFORMATION MEETINGS	U513	210				
TRAINING ATTENDANCE	U514	210	40.0		40.0	12
CONFERENCE ATTENDANCE	U515	210	22.0		22.0	8
OTHER OPERATIONAL TRAVEL	U516	210	30.0		30.0	10
SUPPLIES AND MATERIALS	U517	26	170.1		170.1	XXXXX
FAAS	U518	257	1,738.0		1,738.0	XXXXX
CONSULTING SVCS - CONT.	U519	259				XXXXX
MGT./PROF. SVCS. - CONT.	U520	259				XXXXX
SPEC. STUDIES/ANALYSES CONT.	U521	259				XXXXX
ALL OTHER CODE 25	U522	259	313.0	65.8	378.8	XXXXX
TOTAL O.E. BUDGET			5,963.6	1,244.1	7,207.7	XXXXX
RECONCILIATION					4,307.2	XXXXX
OPERATING ALLOWANCE REQUEST					2,900.5	XXXXX
OTHER INFORMATION:						
Dollar requirement for local currency costs						
Exchange rate used (as of May 1, 1983)					US\$ equals 5.7 zaires	
Estimated Wage Increases - FY 1984 to FY 1985					45%	
Estimated Price Increases - FY 1984 to FY 1985					45%	

TABLE VIII - OPERATING EXPENSE NARRATIVE

Section A - Management Improvements

USAID made a major investment in office automation in 1983. Ten work stations for the WANG OIS-140 are in place. Notably, the USAID system is satellited on the USIS OIS-140, thus avoiding procurement of the CPU, disk drives, and associated central equipment and supplies. We expect the system to result in major efficiencies from the more rapid thru-put of typed materials (this ABS, for example), the release of professional time due to less time spent editing and proofing typed materials, and the ability of office clerical staffs to devote more time to non-typing duties. Special emphasis will be placed during the next year on (1) training staff to utilize the full capabilities of the OIS system and (2) up-grading the responsibilities of clerical staff to assume the sub-professional duties that more senior staff have performed in the past. Implications for staff levels will be closely monitored, with one Direct Hire secretarial position being eliminated in late FY83

USAID has fully justified the acquisition of three Apple IIE micro-computers for project management, economic analysis, financial analysis and records, and a variety of administrative applications. Nonetheless we have decided to procure only one micro-computer in FY 83 to avoid overloading staff capability to absorb the potentialities of automation and in light of the potential represented by the introduction of CP/M on the IOS and the up-coming acquisition of a WANG VS-80 (or VS-100) by the Embassy.

USAID will satellite on the Embassy VS (scheduled for installation in FY 84) in the same manner as was done with the USIS-OIS. In this case, however, the added benefits will be at virtually no cost to USAID since the work stations are already in place. The first and most immediate impact on USAID will be the instruction of MACS. Secondly, the entire Mission will benefit through the introduction of automated systems to the Joint Administrative Office's maintenance, procurement and warehousing operations.

The substantial funds budgeted for staff training reflect the importance accorded to training and staff development by this USAID. Most USDH employees will have taken the Project Implementation and Analytical Skills Workshops within the next 12-18 months. Staffers will attend the new Development Studies Program at every opportunity. FNDH and PSCs will be afforded training when appropriate. We fully expect that the up-grade in skills, and benefits to mission accomplishment envisioned by PM/TD, will be realized.

Another budget item, site travel, deserves attention within the context of management improvements. Whereas AID project sites are located in an area the size of the U.S. east of the Mississippi, all USAID staff are in Kinshasa. In many cases charter aircraft is the only feasible means of travel. AID project management will continue to improve and can only improve if the frequency and duration of site visits is increased. Any reduction in the proposed travel budget will dramatically curtail the effectiveness of our ability to monitor projects. Any project that cannot be effectively monitored will be terminated. USAID is converting its fleet from gasoline to diesel engine vehicles. The diesel Suburban placed in service in FY 83 will save

\$7,000 in fuel costs compared with the gasoline Blazer it replaces. Two diesel sedans to be placed in service in FY 84 will provide fuel savings of \$9,200 per year. The original acquisition costs of all three vehicles are approximately \$4,600 more than comparable gasoline models. Thus net first year savings will be approximately \$11,700.

We propose to reduce the motor vehicle fleet from 10 vehicles in FY 83 to 8 vehicles by the end of FY 84. This reduction is made possible by acquiring the nine passenger Suburban in lieu of Blazers, by the consolidation of USAID offices in one building, and the placement of radios in all Sedans. The reduction of two vehicles will avoid costs approximately \$30,000.

The budget reflects an increase in office rents of \$84,000 attributable to the move to the new office building. The actual increase is approximately \$75,000 taking into account rent escalation. The rise in office rents should nonetheless be considered in this section on Management Improvements in view of the dramatic rise in employee morale and efficiency.

FY 83 FAAS

<u>Budget</u>	<u>Actual (EST)</u>
\$6,252,600	\$4,727,100

Among the many management improvements implemented by the JAO, the most important savings has been the JAO's move to contract for sentinel, janitorial, vehicle maintenance and chauffeur services from local representatives of U.S. firms. This approach has enabled the JAO to pay for local currency costs at the parallel rate of exchange which currently is 4.8 times the official rate. Previously, the services were largely furnished under contract with the American employee association which necessarily had to purchase local currency at the official rate of exchange.

Finally, improvements in USAID overall operating practices has contributed to tighter management and OE budget savings. A paring down of the project portfolio is a prime example, as is the regrouping of responsibilities.

Section B - Justification For Funding Changes

It should be noted that the OE budgets in this submission for FY 84 and FY 85 are based on the workyear levels just received from AID/W. These workyear levels require the elimination of 3 positions in FY 84, a 4th position in FY 85, and a 5th position late in FY 85 or early FY 86. These reductions were not discussed with the USAID and are unplanned. It is the USAID's view that these staffing levels are inadequate to manage the program levels proposed by AID/W. This is laid out in the Table IX Narrative. If cuts are not made it will be necessary to prepare a revision to this budget submission.

The total operating expense requirements for USAID/Zaire (including both dollars and the dollar equivalent of L/C Trust Funds) will increase from \$5,447.9 thousand dollars in FY83 to \$6,542.8 thousand dollars in FY84, an increase of 20%. The total requirements for FY85 are estimated at \$7,207.7 thousand for an increase over FY84 of \$664.9 thousand or 10%.

The FY84 projected increase is due primarily to two factors:

1. a high rate of local inflation; and
2. efforts by USAID to improve the management of its portfolio.

The cost of living allowance index for Zaire was raised, effective May 1, 1983, from 42% to 60%. A recent survey by the Embassy indicates that FSNs will receive a 45% salary increase. Rents in the SOZACOM building, where USAID has four apartments, were just raised 33%. Similar rent increases are projected for other residential leases.

On a recent visit, the AA/AFR stressed the importance of the USAID's strengthening the management of its portfolio. This was reinforced by the latest house foreign affairs subcommittee report on Zaire which eliminated the 1983/84 budget request for ESF, partially on the grounds that previously the USAID had been unable to monitor PL 480 imports and associated counterpart. The subcommittee noted, however, that it supported continued US funding for well-monitored development and food assistance.

Tightened management requires, among other things, significantly more staff time in the field where projects are being implemented. In order to continue closer project supervision, the USAID will need an increase in the 1984 budget for site visits.

Shown below is a table which indicates changes, in thousands of dollars, between FY83 and FY84 at the summary function level.

	FY 83	FY84	Dollar Increase	Percent Increase
U 100	1,814.9	1,978.0	163.1	9%
U 200	169.4	254.5	85.1	50%
U 300	467.9	517.1	49.2	10%
U 400	687.0	1,021.5	334.5	49%
U 500	2,308.7	2,771.7	463.0	20%
TOTAL	5,447.9	6,542.8	1,094.9*	20%

* The increase shown includes both dollar appropriated OE funds and the dollar equivalent of trust funds.

The increase in code U 200 is due to a projected salary increase of 45% as the result of an Embassy survey

1) 45% pay raise for FSNs	\$76,500.
2) additional man-years	\$ 8,600.
TOTAL	\$85,100.

The 49% rise in summary code U 400 is due to substantially higher rental costs, a projected 45% pay raise for guards and the assumption that some rents due in September 1983 will have to be held until early FY 84. Thus a majority of residences are funded in the FY 83 OE Budget for only nine months rent. This results in a distortion in the comparison between the two years. The annual rental on seven of the units was recently increased by 33%. Similar rate increases are projected for others. The salaries of guards which are hired under an institutional contract have been tied to the Embassy salary scale. As the recent survey projects a 45% rise in FSN salaries a similar increase is budgeted for guards. Another factor affecting the comparison between FY83 and FY84 is that the USAID has estimated that budget needs for FY83 exceed the approved AID/W level by \$120,000 and has requested an addition in that amount. The ABS instructions require that the FY83 budget be prepared at the approved level. In order to reduce the FY83 budget it was assumed that some rent payments due in FY83 would be paid in October. The increase in the expense categories of U 400 are shown in the table below:

1) A 33% rise in average cost per lease	\$110,000
2) Late payment of FY83 rents resulting in budgeting only 9 months rent	\$100,000
3) Increases in guards' salaries	\$170,000
4) Reduction of requirements for furniture and equipment	(58,000)
5) Other U 400 additions	\$ 12,500
Total U 400 increases	\$334,500

Augmentation to summary category U 500 is summarized below:

	FY83	FY84	Increases	Percent
U 504 Furniture & Equipment	23.3	99.2	75.9	326%
U 506 Transporta- tion freight	10.5	65.0	54.5	519%
U 512 Site Visits	51.2	139.3	88.1	172%
U 517 Supplies	156.8	187.0	30.2	19%
U 518 FAS	1,436.0	1,580.0	144.0	10%
Other code U 500 category	630.9	701.2	70.3	11%
TOTAL U 500	2,308.7	2,771.7	463.0	20%

The increase in the budget for office furnitures and equipment and corresponding increase in freight is due to several items. The USAID has decided to place radios in each of its vehicles at a total cost of \$22,000. USAID has determined that this will produce better use of the vehicle fleet and permit a reduction of two vehicles. USAID also has budgeted for the purchase of a larger copying machine in FY84. The machine currently being used is not adequate. It breaks down frequently. The repairs required are costly and the delays are disruptive to Mission operations and they result in a waste of scarce staff resources. Also the USAID aims to improve the monitoring of counterpart funds, loan management and several other functions and hence has budgeted for the procurement of two Apple II computers in FY84.

The number of site visits in FY84 is budgeted at 80. This is an increase of 45 over FY 83 site visits. This is the result of the USAID's policy to more closely manage its projects. Zaire is one of the largest African countries. Road travel to most project sites is not practical. Additional site visits require more air travel and concomitant rise in the budget.

The increase in the budget for supplies is required due to inflation. The increase in the budget for FAS costs is based on the amount provided by AID/W. The USAID assumes that this 10% add on is the result of inflation since no increase in service has been requested.

In summary, the increase of 1,094.9 thousand dollars of OE requirements for FY84 is due to inflation, other actions beyond the control of Mission management, and actions and investments by the USAID to improve management and efficiency. A quantitative summary by these three categories is presented below in thousands of dollars.

	Thousands of \$	% of 83/84 increase
1. INFLATION		
a) FSN DH salary	76	7.0
b) Rent	110	10.0
c) FAS	144	13.3
d) Guard salary	159	14.5
e) Living allowance	72	6.6
f) Other FSN contract salaries	51	4.6
Total inflation increase	612	56.0%
2. OTHER ACTIONS BEYOND THE CONTROL OF USAID		
a) Increases in base salary as a result of higher salaried personnel	20	1.8
b) Budgeting only 9 months rent in FY83 in order to reduce FY83 budget to approved AID/W level	100	9.2
c) Rise in number of dependents at post		
i) higher education allow.	78	7.1
ii) increased R&R costs	17	1.5
Total other actions beyond the control of the USAID	215	19.6%
3. ACTIONS AND INVESTMENTS BY USAID TO IMPROVE MANAGEMENT AND EFFICIENCY		
a) Procurement		
i) copying machine	30	2.8
ii) radios in vehicles	22	2.0
iii) Apple IIs	8	.7
iv) increased freight	55	5.0
b) Increased site visits	88	8.0
c) Addition of one long-term US re- cruited PSC and several locally recruited contractors	64	5.9
Total of actions and investments by USAID to improve efficiency	267	24.4
TOTAL FY84 INCREASE	1,094	100%

Please note that categories effectively beyond Mission control (1 & 2 above) represent 75.6% of the \$1,094.9 thousand dollar increase in OE Budget.

Shown below is a table which indicates, in thousands of dollars, the changes between FY84 and FY85 at the summary function level.

	FY84	FY85	Dollars Increase	Percent Increase
U 100	1,978.0	2,099.9	121.9	6%
U 200	254.5	343.6	89.1	35%
U 300	517.1	421.2	(95.9)	(18%)
U 400	1,021.5	1,449.4	427.9	42%
U 500	2,771.7	2,893.6	121.9	4%
TOTAL	6,542.8	7,207.7	664.9	10.1

The change in summary code U 200 (Foreign National Direct Hire) is primarily due to a high inflation rate of Base Salaries and Related Benefits:

	FY84	FY85	Increase	Percent
U 201 Base Pay	189.5	252.6	63.1	33%
U 204 Other Code 12	62.0	86.8	24.8	40%

The above amounts are all chargeable to Trust Funds.

The decline in summary code U 300 (US/PSCs) is due to the fact that one population advisor will be funded in FY 84 for \$90.0 and no funding will be needed in FY 85 because it is expected that only a one-year contract will be needed before filling the position with a USDH.

Code U 400 (Housing) is summarized for FY84 and FY85 as follows:

	F84	FY85	Increase	Percent
U 401 Rent	567.9	689.2	121.3	21%
U 402 Utilities	88.3	132.7	44.4	50%
U 405 Furniture	7.7	52.8	45.1	586%
U 406 Freight	4.6	31.7	27.1	589%
U 407 Security, Guards	349.0	539.0	190.0	54%
Others	4.0	4.0	0	0%
TOTAL	1,021.5	1,449.4	427.9	42%

Categories U 402 and U 407 are paid in trust funds and reflect the 45% inflation rate projected for these costs. The USAID is planning necessary replacement of residential furniture in FY85 which accounts for the additional 72.2 in codes U 405 and U 406. All amounts budgeted for FY85 are for replacements and the large variation between FY84 and FY85 is due to the Mission's replacement cycle.

Section C Trust Funds

In 1983 USAID/Zaire increased the Trust Fund Budget by 68% from 2,500,000 zaires to 4,200,000 zaires. The 1983, 1984, and 1985 budgets all assume that all OE bills paid in zaires will be charged to the Trust Funds. Thus, no further increase of Trust Funds is possible.

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

	Fiscal Year		
	1983	1984	1985
<hr style="border-top: 1px dashed black;"/>			
<u>A. Capital Investment</u>			
1. Purchase of ADP Equipment	4.9	7.5	-0-
2. Purchase of Software	1.9	4.2	-0-
Subtotal	6.8	11.7	-0-
<u>B. Personnel</u>			
1. Compensation, Benefits, Travel	-0-	-0-	-0-
2. Workyears	-0-	-0-	-0-
Subtotal	-0-	-0-	-0-
<u>C. Equipment Rental and Other Operating Costs</u>			
1. ADP Equipment (ADPE) Rentals	-0-	-0-	-0-
2. Supplies and Leased Software	1.0	2.2	2.3
Subtotal	1.0	2.2	2.3
<u>D. Commercial Services</u>			
1. ADP Service Bureau	-0-	-0-	-0-
2. Systems Analysis and Programming	-0-	-0-	-0-
3. ADPE Maintenance (If separate from item C.I.)	2.0	2.0	2.0
Subtotal	2.0	2.0	2.0
<u>E. Total Obligations (A-D)</u>	9.8	15.9	4.3
<u>F. Interagency Services</u>			
1. Payments	-0-	-0-	-0-
2. Offsetting Collections	-0-	-0-	-0-
Subtotal	-0-	-0-	-0-
<u>G. Grand Total (E+F)</u>	9.8	15.9	4.3
Amount included in <u>Mission allowance</u> for existing systems	9.8		
Amount included in <u>Mission allowance</u> for new/expanded systems		15.9	4.3

TABLE VIII(A) - ADP NARRATIVE

USAID plans to acquire two types of ADP resources during the planning period: (1) Utilization of the Embassy's WANG VS-80 (or VS-100) and (2) Acquisition of Apple IIE microcomputers.

Embassy WANG VS

The Embassy plans to install a WANG VS in FY-84. Discussions are now underway between the Embassy and the Department as to whether the VS-80 or the VS-100 is appropriate to the requirement. In light of the eight archiving work stations now in place for the WANG OIS-140, no further equipment purchases are considered to be necessary for full utilization of the VS by USAID. USAID envisions two major applications for the VS. The Mission Accounting and Control System should be implemented as soon as practicable. Upon approval of the ESP for Zaire it will be appropriate to implement an automated CIP system comparable to USAID/CAIRO's. Major statistical applications similar to SPSS also will be appropriate but, chronologically, will follow the implementation of similar applications on the Apple IIE.

Apple IIE

SER/DM has authorized procurement of three micros. USAID will procure one in FY-83 and two in FY-84. We have adopted this approach so as not to overload our capacity to absorb and profit from the potential represented by the various automated systems and the potential represented by the addition of CP/M Operating System to the WANG OIS-140. A partial list of applications includes: Preparation and revision of OE and project budgets, ABS tables, U101 and other financial reports, counterpart fund management, payrolls, project implementation schedules, project financial tracking, agriculture production and analysis statistics, project commodity inventories, internal rate of return, linear programming for optimization, analysis of survey data, administrative property inventories, library systems, correspondence tracking, staffing, housing and leave projects, etc.

The question arises: given the capability of the OIS with CP/M and the Embassy's VS system, is it really necessary to have the APPLE IIE? In fact, we do not discount the possibility that the APPLE IIE will prove to be redundant some time in the future. For the moment, however, we know that (1) we already are experiencing the problem of too many wanting access to the present number of OIS work stations, (2) the problem of sheer physical access will be increased when the capabilities of the VS are realized, (3) we can expect the APPLE IIE to be operational within a few months whereas we cannot expect MACS to be operational for another 12 months, (4) we expect that known requirements will exceed the capacity of the OIS and bring the VS close to capacity, and finally (5) there still appears to be a body of applications most appropriate for the "personal computer" notwithstanding the capability of the VS and the CP/M-enhanced OIS.

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

	Fiscal Year		
	1983	1984	1985
A. Capital Investments in W/P Equipment	-0-	-0-	-0-
B. W/P Equipment Rental and Supplies	3.5	4.5	5.5
C. Other W/P Costs ¹	14.6	-0-	.1
TOTAL	18.1	4.5	5.6
<u>Amount included in Mission allowance for existing systems</u>	18.1		
<u>Amount included in Mission allowance for new/expanded systems</u>		4.5	5.6

TABLE VIII(B) - WP NARRATIVE

USAID has acquired eight archiving work stations and two regular work stations satellited on USIS' OIS-140. Operators are now being trained in basic operations. Operator training will be expanded to include basic programming, forms management, math support, and sort after basic operations have been mastered. As soon as possible, glossaries will be developed for the ABS, cables, position descriptions, travel authorizations, PIO's, (project) Quarterly Implementation Reports, personal service contracts, and others.

TABLE IX NARRATIVE

Basic

The Bureau has proposed such severe cuts in USDH work years (20% through FY-86) that we would not be able to carry out the proposed program levels also given to us for this ABS. As least we could not, and still maintain the standards of performance expected by AA/AFR. The USAID has undergone a reorganization of functions and a review of its personnel structure in the past year. As a result, we have reduced by five the number of positions (all employment categories) that existed on July 1, 1982. We have at this time achieved a balanced work force, both in terms of numbers and skills, and employment category. As pointed out in the draft CDSS our current staffing level is able to project AID policies and required oversight without increase, given the program activities. Workforce mix and level thus mesh with the program. If the proposed reduction takes place this relationship will be torn apart.

Since the cable providing us with the workforce levels (received May 17) said "workyears provided above are primarily for budgeting purposes, and do not necessarily reflect final approved workforce (position) levels" we have not adjusted our program presentation down from the ABS guidance level. What this narrative will lay out is the impact on the program if the personnel cuts were forced upon us.

Our proposed workyear lay out for FY-85 for all categories of employment and skills follows:

(Table IX Narrative (Basic))

Function	LOP Funding (\$million)	<u>FY-85 Workyears</u>					Total Workyears
		USDH	FNDH	PSC	AERWA	JCC	
AGRICULTURE	80.2	6.4	3.0	-0-	2.8	2	14.2
HEALTH/POP	8.8	1.6	2.0	1.0	2.0	-0-	6.6
HUM. RESOURCES	2.5	1.0	2.0	-0-	-0-	-0-	3.0
GDO/CONGO/NUT	5.3	-0-	-0-	2.0	1.4	-0-	3.4
<u>SUPPLY MGT</u>	<u>20.0</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
PROJECT SUB TOTAL	116.8	9.0	7.0	3.0	6.2	2	27.2
DIRECTOR		3.0	-0-	-0-	-0-	-0-	3.0
PRM/ECON/FFP		4.0	3.0	-0-	3.0	-0-	10.0
MGT		1.0	-0-	1.0	8.5	-0-	10.5
CONTROLLER		2.0	5.0	-0-	2.0	-0-	9.0
DESIGN/EVA/ CAP PROJ		2.0	1.0	2.0	1.5	-0-	6.5
IDI's		<u>4.0</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>4.0</u>
Other Sub Total		16.0	9.0	3.0	15.0		45.0
GRAND TOTAL		25.0	16.0	6.0	21.2	2	70.2
		36%	23%	9%	30%	3%	

(Table IX Narrative (Basic))

The FY-85 workforce statistics above reflect the staff reductions that have to be made in FY-84 in order to reduce the FY-83 FTE ceiling of 25 to 22. Those reductions which will occur in FY-83 are:

1. Eliminate the Food for Peace Officer Position (1 work year). Elimination of this position must require cancellation of the FFP Title II program, our lowest priority program activity. The Program Office will assume responsibility for FFP Title I functions.

2. Eliminate the Program Economist Position (.8 work years). USAID will have to accept a degradation in its ability to perform economic analyses and studies from its own resources. There will have to be a reduction in the contact with other actors on the micro-economic scene and a lessening of our ability to carry out a policy dialogue. USAID will rely on the Embassy and other donor-generated studies for economic analyses required for the CDSS and responses to AID/W-initiated requirements.

3. Eliminate the planned Supply Management Officer (.7 work years). Elimination of this position will force us to rethink our approach to use of ESF and whether we can manage such a program at all.

4. The remaining reduction of .2 work years will be reached by delaying the arrival of replacement staff.

Further reductions to move from 22 work years in FY-84 to 21 work years in FY-85 are:

1. Eliminate the General Development Officer position (1 work year). The GDO is responsible for monitoring Congo Programs, managing the Area Nutrition Project (0079), and is liaison with the U.S. based PVO community. Our relations with the U.S. PVO community will be downgraded. Direction of Congo programs and the AID personal services contractor stationed in Brazzaville must be assumed by Deputy Director on a reduced basis, lessening our oversight capability. USAID's Public Health Officer will assume responsibility for the Area Nutrition Project until its phase out. But no new effort will be started in this field even if current project approach is highly successful.

Since the Public Health Officer's ability to accomplish his many responsibilities may be over-stretched with the addition of the Area Nutrition Project, we will have watch this arrangement closely.

For FY-86, USAID will eliminate an Agriculture Project Manager position to reach the 20 work year ceiling. At this level, USAID will no longer be able to sustain its food production program. For example, we could not initiate the Fish Culture Expansion II project with the Peace Corps slated for FY-86 obligation.

The operation of the open assignments system may further exacerbate the problem. Can there be any doubt that African posts rank low on the list of employees preferred assignments? Also, unless special attention is paid, the very important problem of quality may be lost sight of. We think that a major result of the open assignments system will be that the most desirable posts will attract far more than an equitable share of the best people. It stands to reason that Mission Directors and Assignment Boards will select the top personnel among the scores of

(Table IX Narrative (Basic))

employees who identify the desirable Asian and LA posts as their top choices. M/PER and the Assignment Boards must make a conscious effort to ensure that top people are distributed evenly among desirable and hardship posts alike. After all, the greatest development challenges requiring the highest order of energy and expertise exist in these Africa Bureau posts.

The rules on accounting for IDI workyears have been changed: IDI's are now carried on AID/W workforce allocations until the first full tour at post has been completed. Since USAID will receive two IDI's in FY-84 and projects the arrival of two IDI's in FY-85, the Table IX shows four IDI work years in each of 1985 and 1986. It may appear to some reviewers that the additional two IDI workyears in each fiscal year compensate for the reduction in the workforce. Although this is true to a limited extent, USAID must nonetheless implement the more limited program strategy discussed above. We take IDI training seriously and so do not seek immediate full productivity. In fact with a reduction in staff our ability to work with IDI through the learning period will be much reduced. The presence of IDI's in their second year of service in FY-86 will partially compensate for the elimination of the General Development Officer position and the overload on our Public Health Office only to the extent that very junior officers can assume some of the responsibilities of senior officers. If a trade-off were possible, our recommendation would be clear: re-instate the basic workforce levels and eliminate the extra IDI positions.

USAID believes it would be meaningless to identify any additional positions to be eliminated in order to accommodate a 10% reduction from the new proposed levels. What the current proposed cuts signify is a conscious effort to greatly reduce the Zaire program. Further cuts would put us close to a complete phase out of project actions. This is not a decision to be made in the context of a personnel table for the ABS. It is, indeed, a policy decision of the highest order and must be presented in the appropriate forum. Necessary reductions in FNDH would be accomplished by RIF. Consequently, no positions are specified.

TABLE IX(a) - WORKFORCE REQUIREMENTS (U.S. DIRECT HIRE)

(Basic)

SKILL CODE	POSITION TITLE	WORKYEARS			
		FY83	FY84	FY85	FY86
011	Mission Director	1.0	1.0	1.0	1.0
012	Dep. Mis. Dir.	.7	1.0	1.0	1.0
601	Hum.Rsrs.Dvl.Off.	1.0	1.0	1.0	1.0
032	Mgmt. Officer	1.0	1.0	1.0	1.0
021	Program Economist	.3	-	-	-
050	Secretary	1.0	1.0	1.0	1.0
124	Genl. Devl. Officer	1.0	1.0	-	-
150	FFP Officer	1.0	-	-	-
060	Asst. GSO Fld/Sup	.7	-	-	-
940	Proj.Devl.Officer	-	1.0	1.0	1.0
940	Asst. Proj. Dvl. Of.	.4	1.0	1.0	1.0
023	Program Officer	1.0	1.0	1.0	1.0
023	Asst. APO	1.0	1.0	1.0	1.0
023	Asst. APO	-	.6	1.0	1.0
050	Secretary	1.0	-	-	-
043	Controller	1.0	1.0	1.0	1.0
042	B&A Officer	1.0	1.0	1.0	1.0
103	Ag. Dvl. Off.	1.0	1.0	1.0	1.0
103	Dep. Ag. Devl. Off.	.2	1.0	1.0	1.0
104	Proj. Mgr. Agr.	.8	-	-	-
104	Proj. Mgr. Agr.	1.0	.7	1.0	1.0
104	Proj. Mgr. Agr.	1.0	1.0	1.0	-
101	Agric. Econ.	1.0	1.0	.7	1.0
104	Proj. Mgr. Agr.	1.0	1.0	.7	1.0
050	Secretary	1.0	1.0	1.0	1.0
501	Hlth Devl. Off.	1.0	1.0	.6	1.0
550	Pop Advisor	.7	.7	1.0	1.0
050	Secretary	1.0	1.0	1.0	-
932	Supply Mgt. Officer	-	-	-	-
		22.8	22.0	21.0	20.0
940	IDI Proj Dvl.	.6	-	-	-
030	IDI Mgt.	.3	-	-	-
103	IDI Agr. Dvl.	.7	.3	2.0	2.4
502	IDI Nut	-	.7	1.0	.4
502	IDI Health Pop	-	-	1.0	1.0
		1.6	1.0	4.0	4.0

TABLE IX(b) - WORKFORCE REQUIREMENTS (F.N. DIRECT HIRE)

SKILL CODE	POSITION TITLE	WORKYEARS			
		FY83	FY84	FY85	FY86
020	Prog.Spec.	1.0	1.0	1.0	1.0
021	Asst. Prog. Ec.	1.0	1.0	1.0	1.0
600	Part Trg. Spec.	1.0	1.0	1.0	1.0
040	Supy. Acct.	1.0	1.0	1.0	1.0
040	Acct. Tech.	1.0	1.0	1.0	1.0
040	Acct. Tech.	1.0	1.0	1.0	1.0
040	Acct. Tech.	-	1.0	1.0	1.0
040	Accountant	-	1.0	1.0	1.0
209	Engineer	.7	1.0	1.0	1.0
100	Asst. PM (AGR)	.7	1.0	1.0	1.0
100	Asst. Eg. Econ.	-	1.0	1.0	1.0
050	Secretary	1.0	1.0	1.0	1.0
600	Prog. Spec. (HRD)	1.0	1.0	1.0	1.0
500	Admin Asst. (HLTH)	-	1.0	1.0	1.0
500	Prog. Spec. (HLTH)	.7	1.0	1.0	1.0
050	Secretary	1.0	1.0	1.0	1.0
		11.1	16.0	16.0	16.0

TABLE IX(c) - JOINT CAREER CORPS

FY 1984

ORGANIZATION USAID/ZAIRE

EXPENSE CATEGORY	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
<u>JOINT CAREER CORPS</u>	146.5		146.5	XXXXX
BASIC PAY	63.1		63.1	1.3
DIFFERENTIAL PAY	12.6		12.6	XXXXX
EDUCATION ALLOWANCES	14.5		14.5	
RETIREMENT	2.0		2.0	XXXXX
LIVING ALLOWANCES	13.9		13.9	XXXXX
OTHER SALARIES/BENEFITS				XXXXX
POST ASSIGNMENT - TRAVEL	10.0		10.0	2
POST ASSIGNMENT - FREIGHT	21.6		21.6	2
HOME LEAVE - TRAVEL				
HOME LEAVE - FREIGHT				
EDUCATION TRAVEL				
R AND R TRAVEL	8.8		8.8	2
ALL OTHER CODE 215 TRAVEL				
<u>HOUSING</u>	115.9		115.9	XXXXX
RENT	24.0		24.0	1.3
UTILITIES	2.0		2.0	XXXXX
RENOVATION AND MAINT.				XXXXX
QUARTERS ALLOWANCE				
PURCHASES RES. FURN/EQUIP.	37.6		37.6	XXXXX
TRANS./FREIGHT - CODE 311	25.0		25.0	XXXXX
SECURITY GUARD SERVICES	27.3		27.3	XXXXX
<u>OFFICE OPERATIONS</u>	5.5		5.5	XXXXX
OFFICE FURN./EQUIP				XXXXX
VEHICLES				XXXXX
OTHER EQUIPMENT				XXXXX
TRANSPORTATION/FREIGHT				XXXXX
SITE VISITS	3.0		3.0	3
INFORMATION MEETINGS				
TRAINING ATTENDANCE				
CONFERENCE ATTENDANCE				
OTHER OPERATIONAL TRAVEL	2.5		2.5	1
SUPPLIES AND MATERIALS				XXXXX
ALL OTHER COSTS				XXXXX
TOTAL O.E. BUDGET	267.9		267.9	XXXXX

TABLE IX(c) - JOINT CAREER CORPS

FY 1985

ORGANIZATION USAID/ZAIRE

<u>EXPENSE CATEGORY</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>JOINT CAREER CORPS</u>	<u>151.7</u>		<u>151.7</u>	<u>XXXXX</u>
BASIC PAY	97.0		97.0	2
DIPPERENTIAL PAY	19.4		19.4	XXXXX
EDUCATION ALLOWANCES	2.0		2.0	4
RETIREMENT	3.0		3.0	XXXXX
LIVING ALLOWANCES	21.5		21.5	XXXXX
OTHER SALARIES/BENEFITS				XXXXX
POST ASSIGNMENT - TRAVEL				
POST ASSIGNMENT - FREIGHT				
HOME LEAVE - TRAVEL				
HOME LEAVE - FREIGHT				
EDUCATION TRAVEL				
R AND R TRAVEL	8.8		8.8	2
ALL OTHER CODE 215 TRAVEL				
<u>HOUSING</u>	<u>82.0</u>		<u>82.0</u>	<u>XXXXX</u>
RENT	36.0		36.0	2
UTILITIES	4.0		4.0	XXXXX
RENOVATION AND MAINT.				XXXXX
QUARTERS ALLOWANCE				
PURCHASES RES. FURN/EQUIP.				XXXXX
TRANS./FREIGHT - CODE 311				XXXXX
SECURITY GUARD SERVICES	42.0		42.0	XXXXX
<u>OFFICE OPERATIONS</u>	<u>10.0</u>		<u>10.0</u>	<u>XXXXX</u>
OFFICE FURN./EQUIP				XXXXX
VEHICLES				XXXXX
OTHER EQUIPMENT				XXXXX
TRANSPORTATION/FREIGHT				XXXXX
SITE VISITS	6.0		6.0	6
INFORMATION MEETINGS				
TRAINING ATTENDANCE				
CONFERENCE ATTENDANCE	4.0		4.0	2
OTHER OPERATIONAL TRAVEL				
SUPPLIES AND MATERIALS				XXXXX
ALL OTHER COSTS				XXXXX
TOTAL O.E. BUDGET	243.7		243.7	XXXXX

TABLE IX(C) - JOINT CAREER CORP. REQUEST
(Narrative)

USAID hopes to obtain two JCC's during the budget period to extend program effectiveness in our Major Agricultural Research efforts and in Agribusiness.

<u>Skill Code</u>	<u>Title</u>	<u>Narrative</u>
100	Asst. Project Manager (Ag. Research/Outreach)	With an ETA at post of September, 1983, a JCC with scientific and overseas research management experiences will assist the Project Manager (Ag. Research/Outreach) in the management and implementation of the Cassava Outreach and the INERA Support (legume research) projects and the forthcoming applied Ag. Research Project 660-0091 with LOP funding of \$20 million.
100	Project Manager (Agribusiness)	With an ETA of June, 1984, the JCC will coordinate assessments of agribusiness constraints in Zaire, develop and activities focussing on the Shaba Region.

TABLE IX NARRATIVE

Supplementary

The workforce requirements set forth in the attached tables, plus the assistance provided by JCC and personal contract employees constitute the workforce necessary to manage the project budget provided in the ABS guidance. This program requires a workforce of 25 USDH workyears (excluding IDI's) in fiscal years 1984, 1985 and 1986.

Summary statistics for all categories of employment and skills follow:

Function	LOP Funding (\$million)	<u>FY-85 Workyears</u>					Total Workyears
		USDH	FNDH	PSC	AERWA	JCC	
AGRICULTURE	80.2	6.4	3.0	-0-	2.8	2	14.2
HEALTH/POP	8.8	1.6	2.0	1.0	2.0	-0-	6.6
HUM. RESOURCES	2.5	1.0	2.0	-0-	-0-	-0-	3.0
GDO/CONGO/NUT	5.3	1.0	-0-	3.0	1.4	-0-	5.4
<u>SUPPLY MGT</u>	<u>20.0</u>	<u>1.0</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
PROJECT SUB TOTAL	116.8	11.0	7.0	4.0	6.2	2	30.2
DIRECTOR		3.0	-0-	-0-	-0-	-0-	3.0
PRM/ECON/FFP		6.0	3.0	-0-	3.0	-0-	12.0
MGT		1.0	-0-	1.0	8.5	-0-	10.5
CONTROLLER		2.0	5.0	-0-	2.0	-0-	9.0
DESIGN/EVA/ CAP PROJ		2.0	1.0	2.0	1.5	-0-	6.5
IDI's		<u>4.0</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>4.0</u>
Other Sub Total		16.0	9.0	3.0	15.0		45.0
GRAND TOTAL		29.0	16.0	7.0	21.2	2	75.2
		39%	21%	9%	28%	3%	

The largest concentration of staff resources are in the Agriculture and Program/Econ/Food for Peace functions. The former emphasis is consistent with the program focus as shown in the CDSS and this ABS. The latter emphasis follows from

(Table IX Narrative (Supplementary))

the need to provide careful and complete economic and program analysis of AID programs and to manage funds generated from FFP and CIP sources.

The "PSC" and "AERWA" workforce in the above table reflects additional staff needs required to design, monitor and evaluate a complex program carried out under difficult field conditions. PSC's will be in place to perform economic analysis, assist AID programs in the Congo, oversee the Area Nutrition Project (079) and PVO activities, assist the Management Officer, help monitor public health projects, and help accomplish design and evaluation activities. USAID contracts with the local American employee association (AERWA) in order to obtain the necessary clerical assistance that present ceiling and guidance preclude us from obtaining through the FNDH ranks. JCC and PSC positions have also been designed to provide personnel in skills where AID is weakest - science, economics, agri-business.

The proposed array of occupation skills is the same as at present with one exception. The proposed ESF program consisting of \$10 million in FY-84 and FY-85 for commodity procurement will require the services of a Supply Management Officer.

As stated above, the proposed workforce constitutes a level and skills mix necessary and appropriate to achieve the Action Plan. However, the limitations of the AID personnel system place certain constraints on the attainment of projected workforce levels which may adversely affect achievement of mission objectives.

AID continues to be unable to place language-qualified personnel in the field when they are needed. From a base of 26 positions we optimistically estimate that the lapse rate will reduce our effective FY-84 workforce by 1.3 workyears to 24.7 work years. 2.2 workyears were lost to the mission in this manner in FY-83. This is acute in some skills categories. The short-fall in economists is widely known, for example. Thus, even though we optimistically project .8 work years of economist services in FY-84 we nonetheless have budgeted to recruit a PSC economist from the U.S. Recruitment of an Assistant Program Officer has been delayed many months. Here too we have retained a locally-hired PSC. The now-filled Food for Peace position was vacant for several years. It will not be possible to rapidly implement or effectively monitor commodity procurement should AID/W be unable to quickly provide a Supply Management Officer upon approval of ESF for Zaire.

The operation of the open assignments system in Africa may further exacerbate the problem. Can there be any doubt that African posts rank low on the list of employees preferred assignments? This phenomenon will be easily verifiable and can be corrected by disciplined directed assignments. Unless special attention is paid, however, the less verifiable but very important problem of quality may be lost sight of. It is apparent to us that a major result of the open assignments system will be that the most desirable posts will attract far more than an equitable share of the best people. It stands to reason that Mission Directors and Assignment Boards will select the top personnel among the scores of employees who identify the desirable Asian and LA posts as their top choices. M/PER and the Assignment Boards must make a conscious effort to ensure that top people are distributed evenly among desirable and hardship posts alike. After all, the greatest development challenges requiring the highest order of energy and expertise exist in these Africa Bureau posts.

(Table IX Narrative (Supplementary))

The USAID has little redundancy or flexibility at the staff levels proposed herein. Thus a ten percent cut in personnel would lead to reductions in program and functions. We would have to eliminate the Food for Peace position and at the same time cancel the Title II program.

We would also drop the Program Economist slot. This means reliance upon the Embassy for all economic analysis. Since the Embassy Economic Consular has his own mandated requirements and reporting formats and timing, this would not fully satisfy AID's demands. The balance of the cut, about .5 persons would be made up by lapse rate. (In FY 1983, for example, we estimate that 22.8 work years will have been expanded against the FTE ceiling of 25).

Necessary reductions in FNDH would be accomplished by RIF. Consequently, no positions are specified.

TABLE IX(a) - WORKFORCE REQUIREMENTS (U.S. DIRECT HIRE)
(Supplementary)

SKILL CODE	POSITION TITLE	WORKYEARS			
		FY83	FY84	FY85	FY86
011	Mission Director	1.0	1.0	1.0	1.0
012	Dep. Mis. Dir.	.7	1.0	1.0	1.0
601	Hum.Rsrs.Dvl.Off.	1.0	1.0	1.0	1.0
032	Mgmt. Officer	1.0	1.0	1.0	1.0
021	Program Economist*	.3	.8	1.0	1.0
050	Secretary	1.0	1.0	1.0	1.0
124	Genl. Devl. Officer	1.0	1.0	1.0	1.0
150	FFP Officer*	1.0	1.0	1.0	1.0
060	Asst. GSO Fld/Sup	.7	-	-	-
940	Proj.Devl.Officer	-	1.0	1.0	1.0
940	Asst. Proj. Dvl. Of.	.4	1.0	1.0	1.0
023	Program Officer	1.0	1.0	1.0	1.0
023	Asst. APO	1.0	1.0	1.0	1.0
023	Asst. APO	-	.8	1.0	1.0
050	Secretary	1.0			
043	Controller	1.0	1.0	1.0	1.0
042	B&A Officer	1.0	1.0	1.0	1.0
103	Ag. Dvl. Off.	1.0	1.0	1.0	1.0
103	Dep. Ag. Devl. Off.	.2	1.0	1.0	1.0
104	Proj. Mgr. Agr.	.8	-	-	-
104	Proj. Mgr. Agr.	1.0	.7	1.0	1.0
104	Proj. Mgr. Agr.	1.0	1.0	1.0	1.0
101	Agric. Econ.	1.0	1.0	.7	1.0
104	Proj. Mgr. Agr.	1.0	1.0	.7	1.0
050	Secretary	1.0	1.0	1.0	1.0
501	Hlth Devl. Off.	1.0	1.0	.6	1.0
550	Pop Advisor	.7	.7	1.0	1.0
050	Secretary	1.0	1.0	1.0	-
932	Supply Mgt. Officer	-	.7	1.0	1.0
		22.8	24.7	25.0	25.0
940	IDI Proj Dvl.	.6			
030	IDI Mgt.	.3			
103	IDI Agr. Dvl.	.7	.3	2.0	2.4
502	IDI Nut	-	.7	1.0	.4
502	IDI Health Pop			1.0	1.0
		1.6	1.0	4.0	4.0

*Eliminate to accommodate 10% cut in ceiling.

PL 480 Narrative

PL-480 Title I

Annual Title I programs of about \$10 million have, in recent years, been used to import wheat and wheat flour in order to help sustain the nutritional status of the urban population, ease pressure on the balance of payments, and generate counterpart funds for A.I.D. and other donor projects, self-help programs and private sector initiatives. A modest Title II level has been used to carry out an MCH program. The latter is being phased out in favor of a larger and higher impact section 206 (monetization) program. Title I is closely linked to the DA program through a system of allocation of counterpart funds to support AID project activities and through a discussion of relevant policy reforms under self help provisions. In fact, without PL 480 generated counterpart funds it would not be possible to carry out our D.A. program, given GOZ budgetary stringencies. By building key policy issues into the Title I agreement, we are able to expand and reinforce the dialogue carried out under D.A. funded sectors. Unfortunately a continuing \$10 million ceiling has been placed on our FY 84 and FY 85 level. Given projected U.S. farm price increases, this will mean a decrease in the amount of wheat that can be supplied to Zaire. This will put additional strain on the balance of payments and the GOZ ability to maintain IMF requested reforms. The ceiling also means a squeeze of our development program as counterpart funds fail to keep up with USAID project local currency needs. This problem is compounded by the fact that USAID must, by U.S. regulations, use the official exchange rate when generating counterpart funds, rather than the prevailing commercial rates. As a result, PL-480 commodities have been heavily subsidized while counterpart funds generated have become less and less adequate.

Zaire continues to increase local food production at a rate somewhat lower than the rate of population increase. Available data are both incomplete and inaccurate, and the country's great size and diversity shield it from extreme vulnerability to drought or flood, so that the actual food supply situation is not as bad as data would suggest. There is a growing import requirement, however, from swelling urban populations, which is being met only incompletely. Prices of basic foodstuffs have risen at rates well above general consumer price inflation for sometime, eroding real living standards. A very serious deterioration in rural infrastructure has meant that peasant producers are not benefited proportionally from real increases in basic food prices, instead seeing quasi-monopoly transport and storage operators capture the lion's share of increases in agriculture's domestic terms of trade. Zaire's ability to blunt urban price increases via imports has been seriously reduced by the chronic balance of payment crisis traceable to the early 1970's, when major capital-intensive infrastructure schemes were contracted in the same period that the external terms of trade deteriorated sharply. Imports of food probably have declined in absolute terms since 1980 -- available data are incomplete. The CDSS provided details on food production and balance of payments (pps. 6-13, 22-23).

GOZ agricultural policy has received prominence since the early 1970's, but until recently resources have not followed the rhetoric. In 1981, extensive

liberalization of agricultural prices was followed by increased budgetary allocations to the sector. Maintenance and upgrading of feeder roads also have received sharp increases in funding. These areas have continued to retain an increased share of GOZ resources since the initial shift in priorities, and the political importance attached to agricultural development has likewise been increased and sustained. As noted, producers have not benefited proportionately from price liberalization, but the GOZ is attempting to reduce marketing bottlenecks and influence middlemen's trading practices. (The private sector has marketed food since the abolition of the GOZ marketing parastatal.) Nationally, a modest supply response has been noted, while in some project areas (such as USAID'S North Shaba Project) producers have responded very effectively to increased farmgate prices and marketing opportunities. The GOZ is pursuing the goal of increased food availability on a broad front and a sustained increase in food production is expected.

PL-480 Title I is an important policy instrument for the U.S.. It has created a strong demand for wheat products in urban centers. It provides generation of counterpart funds to sustain the incremental funding implicit in the U.S./Zaire developmental assistance program. All the wheat is imported and milled by the local Continental Grains milling operation and then distributed to various bakeries. In short, Title I is absolutely essential to the AID program in Zaire. Under Title II we are proposing that a section 206 program be initiated in FY84, and that the phase-out of the CRS program be completed. The section 206 program as described below offers the possibility of commercial viability and generates badly needed additional counterpart funds, a portion of which will be used to support a targeted nutrition program.

Both Title I and (the new) Title II 206 programs are used in the policy dialogue to promote and advance development assistance objectives as well as U.S. commercial interests. We believe that a long-term program to use Title I to promote blended-flour products could have significant development and commercial impact. Our proposed self-help measures are to be negotiated to support feeder roads expansion, market level storage and transshipment facilities, the expansion of private-sector health care and to refine the GOZ's food consumption policy. Local currency will be used to support USAID/GOZ projects, the country's development banks, Peace Corps and U.S. Embassy self-help programs and selected initiatives of the GOZ.

PL 480 Title II

The current Title II program is based upon an income supplement concept. The idea is that by handing out food packets to all families with children under five who attend MCH centers malnutrition can be controlled. Malnutrition is perhaps the most serious health problem in Zaire and is most severe among young children, as well as among pregnant and lactating mothers. Various factors have joined to elevate the cost of proper diets beyond the reach of low-income families. The Title II program designed and operated by CRS since its inception in 1981, has shown considerable progress in expanding the number of enrolled Maternal Child Health (MCH) Centers. However, recent findings have shown that the Title II commodities are not often enough being channeled to the intended target population as defined in Handbook No. 9. These findings are supported by an AID audit dated September, 1982, an independent

consultant contracted to study the program in October, 1982, and many field trips by USAID personnel. It should also be noted that the cost-effectiveness and impact of the CRS concept has never been evaluated in Zaire, nor has the possible disincentive effect on recipient centers.

Efforts by USAID to persuade CRS to redirect their approach to a more narrowly targeted group and consider the possibility of using locally available foods to replace imports have been unsuccessful. Note that as long as imported foods are the basis of the MCH program neither local agencies nor the GOZ can be expected to pick up program costs. Broad-based targeting also makes assumption of costs less possible. Finally, quite suddenly CRS announced in March, 1983, that they would be terminating the Title II program in Zaire by the end of FY 1983 or as soon as all commodities had been distributed rather than accept USAID program oversight. As a result of this decision, CRS cancelled its third quarter call forward which the Mission had already approved. Additionally, an Operational Plan and AER for FY 1984 were not submitted. CRS management of Title II resources has been adequate to the MCH center level. At this point leakage occurs, but it is not possible to know its dimension without employing an army of inspectors.

PL 480 Title II Section 206

Zaire has been in recent years a food deficit country and will remain so in the foreseeable future. Commercial imports of wheat are lagging due to a severe shortage of hard currency and, most recently, the drought in Southern Africa which is affecting corn imports to the Shaba Region. As a result of the drought Shaba is having, and will have, particular difficulty feeding its people in FY 83 - 84, but with the corn deficit continuing until new production efforts can be undertaken.

To replace the terminating MCH program the USAID proposes a PL 480 Title II 206 program of \$2.2 million. This would assist in generating urgently needed local currencies to be used for our development assistance efforts described earlier in this document. The commodity mix for this program would be corn and blended flour. See Title II 206 Table below. If butter fat were available under PL 480 Title II, we would also be interested in NFD. The corn would supply the Shaba millers who import corn using scarce hard currency. The blended flour would be used to promote the nutritional value of blending flours described in the FY 85 CDSS. The local currency generated would greatly assist our other DA projects in which increasingly scarce Title I generated local currencies are used.

Special attention would be given to food production/marketing projects in Shaba - GOZ, PVO, private sector. This program would be integrated into other USAID activities, something we were unable to do with CRS. From a management standpoint, the USAID's workload would also be lessened and the resource inputs much easier to control. And finally, U.S. export commodities would be introduced through the normal commercial marketing system, thus encouraging future trade opportunities.

PL 480 Title II 206 Requirements
(Tonnage in thousands)

Commodities Title II 206	FY 1984		Estimated FY 1985	
	\$	MT	\$	MT
Corn	1,100,000	9	1,600,000	12
Blended Flours	1,000,000	3	600,000	2

FY 1985 ANNUAL BUDGET SUBMISSION

TABLE XI

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

COMMODITIES Title I	FY 1983			Estimated FY 1984			Projected FY 1985		
	Agreement \$ MT	Shipments \$ MT	Carry into FY 1983 \$ MT	Agreement \$ MT	Shipments \$ MT	Carry into FY 1984 \$ MT	Agreement \$ MT	Shipments \$ MT	Carry into FY 1985 \$ MT
Wheat	98.5	55	-	110	58	-	110	57	-
Flour	11.5	6	-	-	-	-	-	-	-
Total									
Total									
Of which Title III									

COMMENT:

PD&S REQUIREMENTS

FY 84 - FY 85

USAID will require PD&S funds for both FY 1984 - 85 design and evaluation activities. With the \$715,000* PD&S funds requested, four PIDs, five PPs and two evaluations will be prepared.

It is estimated that 46% of these funds will be used to design USAID's new Area Food and Market Development and Agricultural Marketing Development Projects, both priority projects for the FY 85 - 89 period covered by the new CDSS.

An additional 11% of the funds will finance technical studies and other costs for the final evaluation of USAID's SSA Loan scheduled to terminate in September, 1983 and for the midterm evaluation of the redesigned North Shaba Rural Development Project.

The remaining 43% will be used to design the PIDs and PPs for three projects scheduled for FY1986 initial funding.

A breakdown of PD&S funds required by project, functional account, and type of activity in order of priority follows:

1.	660-0098 Agricultural Marketing Dev.	ARDN	FY84 - \$100,000 (PP)
2.	660-0102 Area Food and Market Development Project	ARDN	FY84 - \$80,000 (PID) FY84 - \$150,000 (PP)
3.	660-K-025 Ag. Marketing Support Loan	SSA	FY84 - \$30,000 (evaluation)
4.	660-0106 Development Manpower Training II	EHR	FY85 - \$30,000 (PID) FY85 - \$80,000 (PP)
5.	660-0107 Basic Rural Health II	HEALTH	FY85 - \$30,000 (PID) FY85 - \$60,000 (PP)
6.	660-0108 Area Nutrition Improve- ment II	ARDN	FY85 - \$30,000 (PID) FY85 - \$75,000 (PP)
7.	660-0059 North Shaba Rural Dev.	ARDN	FY85 - \$50,000(evaluation)
TOTAL			\$715,000

* This amount will be reduced if corresponding REDSO/W assistance is available.

A.I.D. Non-Bilateral Funded Activities *

Project Title	Number	Date Started	Terminal Date	AID/W Office with Principal Responsibility	AID LOPC (\$000)	Priority
Kionzo Potable Water Supply	698-0407.27	08/31/82	02/28/84	AFR/RA	25	Low
Zaire Photovoltaic Communications	698-0407.035	08/31/82	02/28/84	AFR/RA	64.5	Low
Evaluation of Photo- voltaic Powered Med- ical Refrigerator	NASA/DSB- 5710-2-79	08/31/83	06/30/85	Set/EX	20	Low
Combating Childhood Communicable Diseases	698-0421	08/31/82	12/31/86	AFR/RA	4,849	High
AMD 82	698-0433.25	08/31/82	10/30/83	AFR/RA	262	High
AMD 83	698-0433.25	03/04/83	10/31/84	AFR/RA	195	High
AMD 1984	698-0433	TBD		AFR/RA	250	High
AFGRAD 83	698-0433	03/01/83	-	AFR/RA	125	Medium
AFGRAD 84	698-0433	03/01/84	-	AFR/RA	125	Medium
JHPIEGO 84	N/A	N/A	N/A	Set/POP	61	High

* Does not include any FY 84 - 85 activities not yet approved.

Project Title	Number	Date Started	Terminal Date	AID/W Office with Principal Responsibility	AID LOPC (\$000)	Priority
Increasing the Availability and Acceptability of Contraceptives Through Community Based Outreach in the Region of Bas-Zaire	932-0632	10/01/80	01/31/84	S&T/POP	701	Medium
Component of Basic Rural Health Project	932-0644	06/21/82	12/31/83	S&T/POP	28	Medium
IPPF Affiliate Prog.	932-0838	1973	ongoing	S&T/POP	N/A	High
Population Census	932-0662	N/A	ongoing	S&T/POP	1550	Medium
Support of Department of Demography	932-0662	N/A	N/A	S&T/POP	232	Low

Total Mission time spent on above activities is approximately 2.5 person-years per year.