

UNCLASSIFIED

**AGENCY FOR
INTERNATIONAL
DEVELOPMENT**



ANNUAL BUDGET SUBMISSION

FY 83

YEMEN

BEST AVAILABLE

JUNE 1981

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

UNCLASSIFIED

USAID/YEMEN
FY 1983 ANNUAL BUDGET SUBMISSION
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FY 1983 ANNUAL BUDGET SUBMISSION

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

Country/Office USAID/YEMEN

DEVELOPMENT ASSISTANCE	FY 1981 EST	FY 1982 EST	FY 1983 REQUEST			PLANNING PERIOD			
			MIN	CURR	AAPL	1984	1985	1986	1987
Agricultural, Rural Development, Nutrition									
GRANTS	7,235	9,951	-	13,268	15,883	20,568	20,155	22,305	25,748
LOANS	--	--	-	--	--	--	--	--	--
<u>HEALTH</u>									
GRANTS	1,300	3,767	-	1,706	3,660	2,400	2,365	3,304	3,543
LOANS	5,000	--	-	--	--	--	--	--	--
<u>EDUCATION</u>									
GRANTS	5,615	7,382	4,649	8,236	12,457	9,032	9,480	9,391	8,709
LOANS	--	--	--	--	--	--	--	--	--
TOTAL DA ACCOUNTS	19,150	21,100	4,649	23,210	32,000	32,000	32,000	35,000	38,000
GRANTS	14,150	21,100	4,649	23,210	32,000	32,000	32,000	35,000	38,000
LOANS	5,000	--	--	--	--	--	--	--	--
<hr/>									
TOTAL PERSONNEL	72	74	54	73	73	70	70	70	70
USDA (WORK YEARS)	27	29	19	28	28	28	25	25	25
FNDH (WORK YEARS)	45	45	35	45	45	45	45	45	45

TABLE I NARRATIVE

The FY 1981 CDSS narratives described, in-depth, the serious funding problems faced by USAID/Yemen, and are not repeated here.

The AAPL levels in the CDSS for the period FY 83-FY 87 totalled \$140 million. The Mission provided two additional higher levels, a "CDSS" level totalling \$192.7 million which provided what we considered necessary to fund the program as currently designed and as committed in principle with the YARG; and a higher "proposed" level which indicated the levels considered necessary to achieve U.S. foreign policy interests in Yemen. As a result of the FY 1983 CDSS review, our AAPL levels for FY 83-FY 87 have been re-established at \$169 million.

This increase covers 55 percent of the \$52.7 million gap between our "AAPL" level and "CDSS" level in the FY 1983 CDSS 1/. With the new AAPL levels we can cover most of the program as currently designed. The most significant impact is as follows:

- Elimination of the second two-year phase of Project 279-044, Small Rural Water Systems, (current funding provides for a cost overrun in the first phase).
- Elimination of a planned project in non-formal education.
- Scaling back of Project 279-052, Agricultural Development Support.

1/ It must be noted that in the CDSS we indicated \$27.5 million was required in FY 1982 to fully fund the program, instead of the \$22.1 million in the Congressional Presentation prepared under the previous Administration. As our current CP level for FY 82 is 21.1 million, the difference between the "AAPL" and the "CDSS" levels for FY 82-FY 87 is 58 million. The present levels for this period cover 52% of this gap.

However- even with the above reductions, USAID/Yemen is faced with a severe mortgage problem which has two principal causes. First, cuts in our planned levels through FY 82 progressively forced us to shorten the pipeline and to delay initiation of planned activities in order to maintain current commitments for project implementation (combined FY 81 and FY 82 expenditures of \$56.3 million exceed obligations by 41 percent). Secondly, to meet Bureau requirements, all participant training is fully funded in FY 1983. The switch from incremental to full funding requires an increase in obligations that year of \$3.1 million. As a result of the fact that only about half of the funding shortfall was made up by the increase in our AAPLs and the problems described above, USAID/Yemen will be required to continue programming an extremely short pipeline to avoid further program disruption. To offset the risks of the short pipeline, USAID/Yemen has initiated a financial management system which monitors actual vs planned expenditures on a quarterly basis.

The Mission has not used the option of increasing FY 82 obligations carried in this ABS by 10 percent over the FY 82 CP. As our funding problem is well known, it was considered that carrying FY 82 obligations at the CP level could make it easier to understand the funding constraint.

The personnel levels at the Minimum level in FY 1983 reflect personnel requirements to terminate on-going activities. Once this process has been completed, the levels would be reduced to 4 USDH and 2 FNDH.

TABLE III - PROJECT OBLIGATIONS BY APPROPRIATION ACCOUNT
 FY 1981 to FY 1983
 (\$ thousands)

Country/Office USAID/Yemen

APPROPRIATION ACCOUNT	FY 1981	FY 1982	FISCAL YEAR 1983		
			MINIMUM	CURRENT	AAPL
<u>AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION</u>					
279-0042; Land Classification and Soil Survey (G)	614	--	--	--	--
279-0045; Local Resources for Development (G)	--	2,085	--	2,035	2,035
279-0052; Agricultural Development Support (G)	6,621	7,866	--	11,233	13,848
SUBTOTAL FOR ACCOUNT	(7,235)	(9,951)	--	(13,268)	(15,883)
<u>HEALTH</u>					
279-0039; Taiz Water and Sewerage Construction (L)	5,000	--	--	--	--
279-0044; Small Rural Water Systems (G)	650	2,702	--	--	1,954
279-0065; Tihama Primary Health (G)	650	1,065	--	1,706	1,706
SUBTOTAL FOR ACCOUNT	(6,300)	(3,767)	--	(1,706)	(3,660)
<u>EDUCATION</u>					
279-0040; Development Training II (G)	3,200	4,200	3,247	3,247	5,269
279-0053; Basic Education Development (G)	2,415	3,182	--	3,587	4,680
279-0080; Development Training III (G)	--	--	1,402	1,402	2,508
SUBTOTAL FOR ACCOUNT	(5,615)	(7,382)	(4,649)	(8,236)	(12,457)
TOTAL ALL DA APPROPRIATION ACCOUNTS	19,150	21,100	4,649	23,210	32,000

TABLE IV A
PROJECT 279-0052
AGRICULTURAL DEVELOPMENT SUPPORT
SUBPROJECT DETAIL
(\$ THOUSAND)

SUBPROJECTS	OBLIGATION		LOP COST		CUM. OBL. ALLOC. 9/30/80	CUM. PIPE. 9/30/80	FY 1981		FY 1982		FY 1983		FY 84		FY 85		FY 86		FY 87		FUTURE OBL. ALLOC.	
	INITIAL	FINAL	AUTH.	PLAN			OBL. ALLOC.	EXP.	OBL. ALLOC.	EXP.	OBL. ALLOC.	EXP.	FUNDS THRU	AAFL	FUNDS THRU	OBL. ALLOC.	EXP.	OBL. ALLOC.	EXP.	OBL. ALLOC.	EXP.	OBL. ALLOC.
Design Activities	79	79	315	315	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Core	80	90	21,400	70,763	2,132	2,009	3,745	3,771	3,237	3,727	1/1/83	5,298	1/1/84	6,416	6,172	6,838	7,956	28,969				
Secondary Agriculture Education	79	87	11,160	20,886	2,785	1,085	2,440	1,739	1,680	2,465	1/1/83	3,255	1/1/84	4,014	3,862	2,753	97					
Integrated Crop and Water Management	81	90	--	40,292	--	--	436	--	744	800	1/1/83	1,838	1/1/84	2,238	2,153	3,912	6,651	22,318				
Horticulture	82	86	--	4,950	--	--	--	--	871	620	1/1/83	829	1/1/84	1,074	1,034	1,145	--	--				
Poultry	82	86	--	4,742	--	--	--	--	660	482	1/1/83	829	1/1/84	1,074	1,034	1,145	--	--				
Faculty of Agriculture	82	90	--	13,945	--	--	--	--	674	500	1/1/83	636	1/1/84	1,074	1,034	1,145	2,100	7,282				
Water Resources Policy	83	90	--	11,184	--	--	--	--	--	--	--	742	1/1/84	896	862	954	1,563	6,167				
Research	83	90	--	10,808	--	--	--	--	--	--	--	212	1/1/84	560	538	596	1,918	5,984				
Extension	83	90	--	10,808	--	--	--	--	--	--	--	212	1/1/84	560	538	596	1,918	6,984				
Project Total	78	90	32,875	188,693	5,232	3,094	6,621	5,510	7,866	8,594	1/1/83	13,848	1/1/84	17,906	17,227	19,084	22,205	78,704				

1/ Includes obligation allocations and expenditures for Subproject development that will be transferred to Subprojects once they are authorized.

TABLE IV B
 PROJECT 279-0053
 BASIC EDUCATION DEVELOPMENT
 SUBPROJECT DETAIL
 (\$ THOUSAND)

SUBPROJECTS	OBLIGATION		LOP COST		CUM. OBL. ALLOC. 9/30/80	CUM. PIPE. ALLOC. 9/30/80	FY 1981		FY 1982		FY 1983		FY 84		FY 85		FY 86		FY 87		FUTURE OBL. ALLOC.
	INITIAL	FINAL	AUTH.	PLAN			OBL. ALLOC.	EXP.	OBL. ALLOC.	EXP.	FUNDS THRU	AAPL	FUNDS THRU	OBL. ALLOC.	EXP.	OBL. ALLOC.	EXP.	OBL. ALLOC.	EXP.	OBL. ALLOC.	
Administrative Support	81	90	9,128	24,299	--	--	1,170	556	781	984	2/1/83	1,206	1/1/84	1,435	1,444	1,752	3,541	12,900			
Primary Teacher Training Institutes	79	86	10,023	10,816	3,463	2,569	520	1,601	749	1,625	2/1/83	1,659	1/1/84	1,800	1,500	1,125	--	--			
Primary and Science Education	81	86	9,141	8,405	--	--	725	300	1,481	1,520	2/1/83	1,355	1/1/84	1,582	1,800	1,462	--	--			
Instructional Materials Center	82	86	--	2,290	--	--	--	171	--	2/1/83	460	1/1/84	559	613	487	--	--				
Project Total	79	90	28,292	45,740	3,463	2,569	2,415	2,457	3,182	4,129	2/1/83	4,680	1/1/84	5,376	5,357	4,826	3,541	12,900			

NEW PROJECT NARRATIVES

Project 279-0052; Agricultural Development Support:
Horticulture Extension and Training Subproject

Proposed Funding:
 FY 1982: \$871,000
 FY 1983: \$829,000
Life-of-Project : \$4,950,000

This subproject is designed to establish a long-term relationship between the Ministry of Agriculture and the member universities of the Consortium for International Development (CID) in all aspects of horticultural extension and training. CID is well-qualified to provide leadership and guidance in horticulture.

A previous project, Tropical and Subtropical Horticulture, Project 279-0024, was implemented by Tuskegee Institute and is scheduled for termination September 1981. Under Project 279-0024, Jarouba Station was developed as a Citrus nursery where 100,000 Citrus tree seeds have been planted. These seedlings will be budded with budwood produced locally and supplemented with imported budwood. The Sanaa nursery, also initiated under 279-0024, will be used in the new subproject to develop deciduous fruit production.

Under the proposed subproject, CID will expand the Citrus related activities to the areas of extension and training in order to assist the Yemeni Citrus growers to apply better cultural and management practices in all phases of citrus production. Extension and training activities will include distributing seedlings to growers and in-country training of extension personnel by subproject technicians in cultural practices, water usage, fertilization, and marketing. The trainees will be MOA employees and graduates from Ibb and Surdud Secondary Agriculture Schools, which are also components of Project 279-0052.

This subproject commences in FY 82 and is proposed for five years with 15 technician years of effort. Life-of-Subproject funding is estimated at \$4,950,000.

Project 279-0052; Agricultural Development Support:
Poultry Extension and Training Subproject

Proposed Funding:
 FY 1982: \$660,000
 FY 1983: \$829,000
Life-of-Project : \$4,742,000

As a result of a previous A.I.D. financed project in Poultry Development, Project 279-0019, implemented by University of California, Pomona, groups representing all levels of poultry husbandry in Yemen are eagerly searching for additional materials on modern poultry industry and for additional trained personnel. The Ministry of Agriculture and the Core Subproject of the Agricultural Development Support Project are currently establishing a Poultry Demonstration Program (PDP) at the village level. The critical need now is for an expanded effective poultry extension and training program, which the CID subproject will provide. The program will develop a cadre of trained Yemeni who will serve as future educational inputs to the emerging Yemen poultry industry. This five-year program will provide opportunities for training in poultry husbandry at various levels, including in-country poultry training, USDA short courses on Intensive Poultry Production Systems, and undergraduate and graduate level training. In addition, a subproject experiment, undertaken with the USAID Rural Development Office, will familiarize village women with the raising of small units of poultry.

A poultry specialist, currently being recruited by CID for the Core Team, will provide inputs for developing the PDP. The team for this Poultry Subproject will include one Doctor of Veterinary Medicine-Poultry Disease Specialist (PDS), two undergraduate level poultry technicians, and up to four Yemeni counterparts. The level of poultry expertise imparted to the Yemeni counterparts will be greatly increased over the level now provided to counterparts under the PDP.

Poultry diseases, according to the Director General of Veterinary Medicine of the Ministry of Agriculture, are a major deterrent to the successful progress of poultry husbandry in Yemen. The United Kingdom's Veterinary Medical Team, already active in Yemen, would like some

participation by a PDS in its activities. If approved, the subproject PDS would be housed with the Ministry's Veterinary group, would maintain close liaison with the U.K. Team, and would work with the Core Poultry Specialist. One or more of the Yemeni participants trained at the university level would be slated for Poultry Science Faculty positions in the proposed Faculty of Agriculture of Sanaa University.

279-0052; Agricultural Development Support:
Faculty of Agricultural Subproject

Proposed Funding:
 FY 1982: \$674,000
 FY 1983: \$636,000
Life-of-Project : \$13,945,000

The University of Sanaa is planning as part of its five-year expansion program to establish a College of Agriculture. Funds for the construction of the College are being provided by the Arab Fund. This proposed subproject of the Agricultural Development Support Project is to provide technical assistance to the College in its administration and curriculum and provide training for the new instructors. A fact-finding trip to the Middle-East, Europe, and the U.S. for Sanaa University and Government of Yemen officials to visit alternative university systems is planned as part of the subproject development activities financed under the Core Subproject. The purpose of this trip will be to determine and present recommendations for approval by the Cabinet of the Government of Yemen. If the model approved by the Cabinet is a modification of the "Land Grant" system used in the U.S., then the proposed subproject will include technical assistance and training for the administration of the College at the Dean and Department Heads level as well as participant training for Yemeni candidates for positions on the new faculty for the College. If the model approved by the Cabinet is not some version of the "Land Grant" model, then the subproject will probably be limited to training for the faculty candidates only.

Initially, faculty from CID universities will teach for one or more years at the proposed College of Agriculture. As the newly trained Yemeni faculty return, they will increasingly take up the teaching responsibility.

The subproject will result in long-term institutional linkages at all levels of university activities including research, extension education, and administration. The establishment of an institute of higher education in agriculture in Yemen has long been recognized as a prerequisite for development of the agricultural sector. The CID universities are uniquely qualified to provide assistance to the Government of Yemen in the development of such a College.

Thirty participants will be trained at the Ph.D level over the life of the subproject. Special courses will be established in the U.S. for the Dean and Department Heads. Long-term technical assistance for administration and teaching is currently estimated at 40 technician years.

Initial implementation is scheduled for 1982; and the Life-of-Subproject budget is estimated at \$13,945,000 over a nine year period.

Project 279-0052; Agricultural Development Support:
Water Resources and Policy Subproject

Proposed Funding:

FY 1982: -0-
FY 1983: \$742,000
Life-of-Project: \$11,184,000

The Water Resources and Policy activity, originally planned as part of the Intergrated Crops and Water Management Subproject, is now proposed as a separate subproject under Project 279-0052, Agricultural Development Support. The need for development and implementation of a Water Resources Policy for Yemen with appropriate legislation was identified in a number of studies, the most recent being the CID study completed early FY 81. All studies identify the need for establishing an intra-ministerial body reporting directly to the Prime Minister. A body meeting this description is scheduled to be established by the Government of Yemen Arab Republic late FY 81.

The proposed subproject will provide technical assistance to the new Intra-Ministerial Committee in the areas of policy and legislation. CID universities, with more than 70 years of Water Policy and legislation experience in the dry, Western part of the U.S., are well qualified to provide this assistance. The planned level of technical

assistance is for four persons for five years each. The subproject will also provide participant training in the U.S. in water legislation for five Yemeni, two years each, and the opportunity for exchange programs between relevant state and local officials in the U.S. and Yemeni counterparts. A long-term institutional linkage in water policy between Yemen and one or more CID universities is a planned output.

The subproject commences FY 83; and the Life-of-Subproject funding is estimated at \$11,184,000 over a nine year period.

Project 279-0052; Agricultural Development Support:
Research Subproject

Proposed Funding:
 FY 1982: -0-
 FY 1983: \$212,000
Life-of-Project : \$10,808,000

Two previous A.I.D. supported projects had significant research components. Project 279-0030, completed in June 1981, was involved in Sorghum & Millet Research and Project 279-0024, to be completed in September 1981, was involved in horticulture research. Based on continuing dialog with the MOA relating to the research activities of these two projects it has become evident that the government currently has neither the appreciation for nor the trained manpower and institutions to support critically needed research programs in Agriculture.

The proposed subproject in Research is designed to address this need through technical assistance and training of participants in the U.S. and in Yemen. CID will insure that other 279-0052 related activities in Horticulture, Poultry, Education, Extension, Crop and Water Management and Water Policy will be coordinated in their research activities as the training and technical assistance is provided to the Central Ministry over a nine year span. By the end of this time a cadre of trained professionals in research will be functioning in Yemeni institutions with strong institutional linkages to one or more CID institutions in the U.S.

This subproject is proposed for pre-implementation activities during FY 83 and subproject status in FY 84. TDY assistance from CID universities under the Core Subproject will provide detailed subproject planning.

Project 279-0052; Agricultural Development Support:
Extension Subproject

Proposed Funding:
 FY 1982: -0-
 FY 1983: \$212,000
Life-of-Project : \$10,808,000

Currently in Yemen there are only 400 extension agents to service the total agriculture sector. This subproject will expand the existing extension services. In-country training in various activities will be conducted using the facilities of the demonstration farm, research stations, and the fruit producing nurseries.

It is anticipated that very close linkage will be developed between the extension service and CID universities who will assist in the training of extension employees.

Graduates from the Secondary Agricultural Schools at Ibb and Surdud are planned candidates for future extension employees. Most of the training will be in-country, but a limited number of participants who hold management positions will either be sent to U.S. or third countries for further training.

This subproject, scheduled to start in FY 83, is proposed for eight years, with thirty-two technician years of effort; the Life-of-Subproject budget is \$10,808,000.

TABLE V - FY 1983 PROPOSED PROGRAM RANKING		Country/Office				USAID/Yemen				
RANK	DECISION PACKAGES/PROGRAM ACTIVITY DESCRIPTION	ONGOING/ NEW	LOAN/ GRANT	APPROP. ACCT.	PROGRAM FUNDING (\$000)		WORKFORCE (Number of Workmonths)		CUM	CUM
					INCR	CUM	INCR	CUM		
	<u>DECISION PACKAGE MINIMUM</u>									
	<u>PIPELINE PROJECTS</u>									
1	279-0040 Development Training II <u>1/</u>	0	G	EHR	3,247	(13,259)	19	19	34	34
2	279-0080 Development Training III <u>1/</u>	0	G	EHR	1,402	4,649				
3	Basic Workforce				--	4,649	--	19	1	35
	Total Minimum Package and Related Workforce				4,649		19	35		
	<u>DECISION PACKAGE CURRENT</u>									
4	279-0052 Agricultural Devevelopment Support <u>2/</u>	0	G	ARDN	11,233	15,882				
5	279-0053 Basic Education Devevelopment <u>2/</u>	0	G	EHR	3,587	19,469				
6	279-0045 Local Resources for Devevelopment	0	G	ARDN	2,035	12,504				
7	279-0065 Tihama Primary Health Care	0	G	H	1,706	23,310				
8	Workforce Increment: Current Package					23,310	9	28	10	45
	Total Current Package and Related Workforce				18,561		28		45	
	<u>1/</u> Incremental Funding									
	<u>2/</u> Includes partial funding for subprojects initiated FY 82 and prior.									

TABLE V - FY 1983 PROPOSED PROGRAM RANKING		Country/Office USAID/Yemen								
RANK	DECISION PACKAGES/PROGRAM ACTIVITY DESCRIPTION	ONGOING/ NEW	LOAN/ GRANT	APPROP. ACCT.	PROGRAM FUNDING (\$000)		WORK FORCE (Number of Workmonths)			
					INCR	CUM	INCR	CUM	INCR	CUM
DECISION PACKAGE AAPL										
9	279-0040 Development Training II 1/	O	G	EHR	2,022	25,232				
10	279-0080 Development Training III 1/	N	G	EHR	1,106	26,338				
11	279-0052 Agricultural Development Support 2/	O	G	ARDN	1,449	27,787				
12	279-0053 Basic Education Development 2/	O	G	EHR	462	28,249				
13	279-0052 Agricultural Development Support 3/	N	G	ARDN	1,166	29,415				
14	279-0053 Basic Education Development 4/	N	G	EHR	631	30,046				
15	279-0044 Small Rural Water Systems	O	G	H	1,954	32,000				
16	Workforce Increment: AAPL Package				--	32,000	--	28	--	45 5/
	Total AAPL Package and Related Workforce				8,790		--		--	
AAPL FOOTNOTES										
	1/ Provides full funding for participants.									
	2/ Restores full funding for subprojects initiated FY 82 and prior.									
	3/ Adds FY 83 new starts (Water Resources Policy, Research, Extension).									
	4/ Adds FY 83 new start (Instructional Materials Center). Reflects adjustment for FY 82 allocation of \$171,000 for this subproject.									
	5/ Personnel Planning Level is 74 (29 USDH, 45 FNDH)									

PROPOSED PROGRAM RANKING NARRATIVE

INTRODUCTION

The 3 levels in this ABS roughly approximate (in substance) the "Minimum", "AAPL" and "CDSS" levels presented and discussed in the FY 1983 CDSS, which should be read for a detailed presentation of the options that can be considered 1/. Not discussed in this document is the fourth ("Proposed") level presented in the CDSS.

MINIMUM

The Minimum level is considered a realistic option if there is a significant reduction below the AAPL level. It centers on a rapid phase-out of all project activity except for participant training which would continue at whatever levels considered appropriate. It is based on the Mission's conclusion that if significant reductions below the range of current levels are required, it would be necessary to dismantle the whole broad programmatic framework developed for the Yemen program. The \$4.649 million Minimum level represents the funding required to continue the two training projects with incremental funding. Full funding would require \$7.777 million. In addition, some obligation for the cancelled projects might be required to continue training initiated under those projects as well as contractual obligations for technicians already in the field. Outyear funding could be of the magnitude set forth in the "Minimum" level of the FY 1983 CDSS.

CURRENT LEVEL

The current level of \$23.210 million (10 percent above the FY 1982 CP) is not considered realistic. A more realistic current level would be \$28.2 million (Rank 12 at AAPL level) which would fund all activities begun prior to FY 1983 (except Project 279-044) and fully fund participants.

The current level was arrived at by initially eliminating FY 1983 Subproject starts under the two "umbrella" projects (279-052 and 279-053) and by reverting, at least temporarily, to incremental funding of participants. Additionally, FY 1983 funding for project 279-044 (Small Rural Water Systems) was eliminated. This reduces the first 3 year phase for this project by approximately 10 months (the planned 2 year second phase is already eliminated as a result of current AAPL's).

1/ In particular, Section I, pages 2 and 3; Section II, pages 11 and 12; and Section IV.

This project has the lowest ranking due to implementation difficulties of which AID/W is aware. Finally, an additional \$1.911 million was taken from on-going activities of Projects 279-052 and 279-053. The cuts was made proportionally and not allocated to any particular Subproject.

The ranking at the Current level reflects the relative priorities of the four projects listed. However, as noted in the Minimum level narrative and the CDSS, any significant cut below the Current level would probably result in a major restructuring of the Yemen program. This means, in essence, that the four projects are ranked equally and would be eliminated as a group as we reverted to a participant training program.

The switch to incremental funding for the participant training projects is in conflict with Bureau instructions to fully fund participants. This was done to make the Current level as realistic as possible. It will be noted that full funding of participants are the highest ranked activities at the AAPL level.

AAPL LEVEL

While this level does not allow us to implement the Program as planned, it does keep the basic program concept intact. As mentioned in the Table I Narrative, the major differences, between this level and the "CDSS" level of the FY 1983 CDSS, are the following:

- The second two-year phase of Project 279-044 (Small Rural Water Systems) has been eliminated. The project is funded at the Current level of authorization (and financial commitment in principle to the YARG) which covers the increased cost estimates for commodities.

- The non-formal education project presented in the CDSS as an FY 1986 start has been eliminated.

- Project 279-052, (Agricultural Development Support) has been scaled back (particularly in these outyears where the difference between the present AAPL's and the "CDSS" level of the CDSS are greatest). No planned activities have been eliminated.

Other changes from the obligations projected in the CDSS reflect refined cost estimates.

The rank ordering at the AAPL level is summarized as follows:

- Full funding for participant training.
- Restoration of cuts in subprojects of projects 279-052 and 279-053 initiated prior to FY 1983.
- Initiation of planned FY 1983 subproject of projects 279-052 and 279-053.
- Full funding for the first three year phase of project 279-044.

TABLE VIII

OPERATING EXPENSE SUMMARY

	FY 1980		FY 1981		FY 1982				
	(\$000's)	Related Workyear	Unit Cost	(\$000's)	Related Workyear	Unit Cost	(\$000's)	Related Workyear	Unit Cost
<u>COST SUMMARIES</u>									
US Direct Hire	1,260.0	22	57.3	1,590.0	26.5	60.0	1,743.9	28.5	61.2
FN Direct Hire	625.0	45.0	13.9	775.0	44.5	17.4	877.3	45	19.5
US Contract Pers.	3.5	.7	5.0	32.6	2.8	11.6	61.0	3	20.3
FN Contract Pers.	122.8	16.0	7.7	129.4	14.5	8.9	406.3	40	10.2
Housing Expense	834.4	24.0	34.8	837.5	25.0	33.5	870.2	25	34.8
Office Operations	1,206.2	xx	xx	903.0	xx	xx	835.3	xx	xx
Total Budget	4,051.9	xxx	xxx	4,267.5	xx	xx	4,794.0	xx	xx
Mission Allotment	3,395.0	xxx	xxx	3,165.0	xx	xx	3,458.2	xx	xx
FAAS	38.8	xxx	xxx	43.8	xx	xx	63.0	xx	xx
Trust Fund	-0-	xxx	xxx	-0-	xx	xx	-0-	xx	xx

TABLE VIII

COST SUMMARIES	MINIMUM			CURRENT			AAPL		
	FY 1983			FY 1983			FY 1983		
	(\$000's)	Related Workyear	Unit Cost	(000's)	Related Workyear	Unit Cost	(\$000's)	Related Workyear	Unit Cost
US Direct Hire	1,298.2	19.5	66.6	1,857.2	27.7	67.0	1,857.2	27.7	67.0
FN Direct Hire	707.3	35	20.2	982.5	45	21.8	982.5	45	21.8
US Contract Pers.	43.0	2	21.5	64.0	3	21.3	64.0	3	21.3
FN Contract Pers.	265.2	26	10.2	327.0	32	10.2	327.0	32	10.2
Housing Expense	615.1	19	32.4	814.7	25	32.6	814.7	25	32.6
Office Operations	545.6	xx	xx	803.9	xx	xx	803.9	xx	xx
Total Budget	3,474.4	xx	xx	4,849.3	xx	xx	4,849.3	xx	xx
Mission Allotment	2,549.0	xx	xx	3,571.5	xx	xx	3,571.5	xx	xx
FAAS	60.0	xx	xx	70.0	xx	xx	70.0	xx	xx
Trust Fund	-0-	xx	xx	-0-	xx	xx	-0-	xx	xx

FY 1983 ANNUAL BUDGET SUBMISSION
(FY 82 AND FY 83 OPERATING EXPENSES)
NARRATIVE COMMENTARY
TABLE VIII

USAID/Yemen remains a rather costly Mission to maintain (\$4.8 million in FY 83). However, inflation has slowed somewhat, especially in housing costs. This coupled with some reductions in Foreign National support personnel and attempts to "hold the line and/or reduce overall costs," have enabled USAID to keep the budget under control. The increase from FY 81 to FY 82 amounted to 11%, while the increase from FY 82 to FY 83 (Current and AAPL) amounted to 1%. The "net Mission allotment" leveled off at \$3.5 million in FY 82 and FY 83. This submission includes a reduction at the "Minimum FY 83 level" for a total budget of \$3.5 million, net USAID allotment \$2.5 million. This minimum level would reflect a staff reduction of more than one-fourth of USAID's personnel. USAID fully anticipates operating expenses at the FY 83 Current/AAPL level.

The FY 82 and FY 83 operating expense budgets include a significant change from recent prior years in Foreign National contracting. USAID plans to reduce some contract employees and eliminate some institutional contracting overhead costs by going PSC for all Foreign National contract support personnel. This, along with a few US PSCs, will require PSC obligation contract ceiling amounts of \$467.3 for FY 82 and \$391.0 for FY 83.

TABLE IX
 AGENCY FOR INTERNATIONAL DEVELOPMENT
 OVERSEAS WORKFORCE REQUIREMENTS
 IN WORK MONTHS

BUREAU: BUREAU FOR NEAR EAST

DECISION UNIT: YEMEN

-----FY 1983-----

Item	US/ FN	Func tion	Skill	Position Number and Title	Level	PERS CAT	WORK SHC	FY 81	FY 82	Rank Order Posn	At Mfn	At Curr	At AAPL	Rank Order Posn	Above Plan Level	FY 84	FY 85
840	U	10	011	91012 Director	S	-	40	12	12	U-01	12	12	12	U-01	-	12	12
841	U	10	012	91023 Deputy Director	S	-	40	12	12	U-11	12	12	12	U-11	-	12	12
842	U	10	050	91043 Secretary	E	-	40	12	12	U-03	12	12	12	U-03	-	12	12
	F	10	050	- Receptionist	N	-	40	0	12	F-35	12	12	12	F-35	-	12	12
850	U	20	023	94013 Program Officer	H	-	40	12	12	U-04	12	12	12	U-04	-	12	12
886	U	20	023	94017 Deputy Program Officer	H	-	40	12	12	U-17	12	12	12	U-17	-	12	12
896	U	20	050	94040 Secretary	E	-	40	5	12	U-09	12	12	12	U-09	-	12	12
1509	F	20	022	- Program Analyst	P	-	40	12	12	F-06	12	12	12	F-06	-	12	12
	F	20		- Translator	P	-	40	0	12	F-34	12	12	12	F-34	-	12	12
1089	U	40	023	94020 Assistant Program Officer	M	-	40	12	12	U-19	0	12	12	U-19	-	12	12
	U	40	910	99010 Development Training Advisor	H	-	40	12	12	U-10	12	12	12	U-10	-	12	12
	F	20	050	- Secretary (Typing)	N	-	40	12	12	F-15	12	12	12	F-15	-	12	12
	F	40	910	- Participant Training Specialist	P	-	40	12	12	F-09	12	12	12	F-09	-	12	12
	F	40	600	- Program Assistant (Education)	P	-	40	12	12	F-45	12	12	12	F-45	-	12	12

TABLE IX
 AGENCY FOR INTERNATIONAL DEVELOPMENT
 OVERSEAS WORKFORCE REQUIREMENTS
 IN WORK MONTHS

BUREAU: BUREAU FOR NEAR EAST

DECISION UNIT: YEMEN

-----FY 83-----

Item	US/ FN	Func tion	Skill	Position Number and Title	Level	PERS CAT	WORK SHC	FY 81	FY 82	Rank Order Posn	At Min	At Curr	At AAPL	Rank Order Posn	Above Plan Level	FY 84	FY 85
	U	40	023	- Program IDI	E	-	40	0	0	-	0	0	0	-	-	12	12
901	U	40	103	95022 Asst. Agriculture Development Officer	M	-	40	3	12	U-20	0	12	12	U-20	-	12	12
952	U	40	103	95013 Agricultural Development Officer	H	-	40	12	12	U-06	12	12	12	U-06	-	12	12
4247	U	40	103	95025 Proj Mgr Agriculture	H	-	40	10	12	U-24	0	3	3	U-24	-	0	0
3982	U	40	103	95026 Agriculture IDI	E	-	40	0	12	U-28	0	12	12	U-26	-	0	0
	U	40	050	95030 Secretary	E	-	40	12	12	U-14	12	12	12	U-14	-	12	12
	F	40	050	- Secretary (Typing)	N	-	40	12	12	F-12	0	12	12	F-12	-	12	12
	F	40	071	- Administrative Assistant (Agr)	N	-	40	12	12	F-14	12	12	12	F-14	-	12	12
	U	40	091	- General Development Advisor	H	-	40	12	12	U-07	12	12	12	U-07	-	12	12
	U	40	091	- Asst. Gen. Development Advisor	H	-	40	12	12	U-12	0	12	12	U 12	-	12	12
957	U	40	804	99005 Human Resources Development Officer	H	-	40	12	12	U-13	12	12	12	U-12	-	12	12
	U	40	801	97005 Community Development Officer	H	-	40	12	12	U-22	12	12	12	U-22	-	12	0
950	U	40	940	98025 Assistant Capital Projects Officer	H	-	40	10	0		0	0	0		-	0	0
939	U	40	251	98030 General Engineering Advisor	M	-	40	10	12	U-23	0	12	12	U-23	-	12	12
3890	U	40	023	- Assistant Program Officer	H	-	40	12	12	U-18	0	12	12	U-18	-	12	12

TABLE IX
 AGENCY FOR INTERNATIONAL DEVELOPMENT
 OVERSEAS WORKFORCE REQUIREMENTS
 IN WORK MONTHS

BUREAU: BUREAU FOR NEAR EAST

DECISION UNIT: YEMEN

-----FY 83-----

Item	US/ FN	Func tion	Skill	Position Number and Title	Level	PERS CAT	WORK SHC	FY 81	FY 82	At Min	At Curr	At AAPL	Rank Order Posn	Above Plan Level	FY 84	FY 85
	U	40	050	- Secretary	E	-	32	12	12	12	12	12	U-26	-	12	12
3889	F	40	050	- Secretary	N	-	40	0	12	0	12	12	F-16	-	12	12
	F	40	050	- General and File Clerk	N	-	40	12	12	12	12	12	F-39	-	12	12
	F	40	050	- Typist	N	-	40	12	12	0	12	12	F-04	-	12	12
3891	U	40	600	- HRD Officer (Education)	H	-	40	9	0	0	0	0		-	0	0
1511	F	40	803	- Rural Development Specialist	P	-	40	12	12	12	12	12	F-10	-	12	12
972	U	50	041	93023 Financial Analyst	H	-	40	12	12	12	12	12	U-15	-	12	12
975	U	50	042	93032 Budget and Accounting Officer	H	-	40	10	12	12	12	12	U-08	-	12	12
970	U	50	043	93014 Controller	H	-	40	12	12	12	12	12	U-02	-	12	12
3893	F	50	041	- Financial Analyst	P	-	40	12	12	12	12	12	F-17	-	12	12
3894	F	50	041	- Supervisor Acct. Tech	P	-	40	0	12	12	12	12	F-02	-	12	12
3895	F	50	041	- Accounting Technician	P	-	40	0	12	12	12	12	F-27	-	12	12
1514	F	50	043	- Accounting Technician	P	-	40	12	12	12	12	12	F-29	-	12	12
1515	F	50	043	- Accounting Technician	P	-	40	12	12	12	12	12	F-13	-	12	12
	F	50	041	- Chief Accountant	P	-	40	0	12	12	12	12	F-44	-	12	12

TABLE IX
 AGENCY FOR INTERNATIONAL DEVELOPMENT
 OVERSEAS WORKFORCE REQUIREMENTS
 IN WORK MONTHS

BUREAU: BUREAU FOR NEAR EAST

DECISION UNIT: YEMEN

Item	US/ FN	Func tion	Skill	Position Number and Title	Level	PERS CAT	WORK SHC	FY 81	FY 82	Rank Order Posn	At Min	At Curr	At AAPL	Rank Order Posn	Above Plan Level	FY 84	FY 85
3897	F	50	041	- Cashier	P	-	40	12	12	F-01	12	12	12	F-01	-	12	12
3898	F	50	041	- Accounts Maintenance Tech	N	-	40	12	0		0	0	0		-	0	0
3899	F	50	041	- Supervisory Voucher Examiner	P	-	40	12	12	F-03	12	12	12	F-03	-	12	12
3900	F	50	041	- Voucher Examiner	P	-	40	12	12	F-30	12	12	12	F-30	-	12	12
3901	F	50	041	- Voucher/Payroll Clerk	N	-	40	12	12	F-20	12	12	12	F-20	-	12	12
3902	F	50	041	- Senior B&A Specialist	P	-	40	11	0		0	0	0		-	0	0
3903	F	50	050	- Principal Typist	N	-	40	0	12	F-25	12	12	12	F-25	-	12	12
3904	F	50	050	- Accounts Maintenance Clerk	N	-	40	12	12	F-11	12	12	12	F-11	-	12	12
3905	F	50	050	- Voucher Payroll Clerk	N	-	40	12	12	F-41	12	12	12	F-41	-	12	12
1090	U	60	031	92012 Executive Officer	H	-	40	12	12	U-16	12	12	12	U-16	-	12	12
1091	U	60	072	92050 Com/Rec Supervisor	E	-	40	0	12	U-27	0	12	12	U-28	-	12	12
1092	U	60	034	92033 General Services Officer	H	-	40	12	12	U-05	12	12	12	U-05	-	12	12
1093	U	60	034	92045 Assistant General Services Officer	M	-	40	12	12	U-25	0	12	12	U-25	-	12	12
1094	U	60	034	92062 Assistant GS0 (Prop/Supply)	M	-	40	12	0		0	0	0		-	0	0
1095	U	60	031	- Deputy Executive Officer	H	-	40	5	0		0	0	0		-	0	0

TABLE IX
 AGENCY FOR INTERNATIONAL DEVELOPMENT
 OVERSEAS WORKFORCE REQUIREMENTS
 IN WORK MONTHS

BUREAU: BUREAU FOR NEAR EAST

DECISION UNIT: YEMEN

-----FY 83-----

Item	US/ FN	Func tion	Skill	Position Number and Title	Level	PERS CAT	WORK SHC	FY 81	FY 82	At MIn	At Curr	At AAPL	Rank Order Posn	Above Plan Level	FY 84	FY 85
1517	F	60	033	- Personnel Assistant	P	-	40	12	12	12	12	12	F-05	-	12	12
1522	F	60	050	- Clerk	N	-	40	12	12	12	12	12	F-18	-	12	12
3904	F	60	050	- Personnel Clerk	N	-	40	12	12	12	12	12	F-19	-	12	12
3905	F	60	072	- Mail Clerk	N	-	40	12	12	0	12	12	F-26	-	12	12
3906	F	60	072	- C&R Clerk	N	-	40	12	12	12	12	12	F-07	-	12	12
3907	F	60	030	- Clerk (Cost Records)	N	-	40	12	12	0	12	12	F-38	-	12	12
3908	F	60	030	- Clerk (Utilities)	N	-	40	12	12	12	12	12	F-31	-	12	12
3909	F	60	030	- Supply Supervisor	P	-	40	12	12	12	12	12	F-33	-	12	12
3910	F	60	030	- Storekeeper	E	-	40	12	12	12	12	12	F-21	-	12	12
1095	U	60	050	- Secretary	E	-	40	1	12	12	12	12	U-21	-	12	12
1096	U	50	050	- Secretary (PT/Resident Hire)	E	-	32	3	6	6	6	6		-	6	6
3912	F	60	030	- Storekeeper	N	-	40	12	0	0	0	0		-	0	0
3913	F	60	030	- Inspections Clerk	N	-	40	12	12	0	12	12	F-40	-	12	12
3914	F	60	030	- Supply Clerk	N	-	40	12	12	0	12	12	F-36	-	12	12
3915	F	60	030	- Supply Clerk	N	-	40	12	12	12	12	12	F-37	-	12	12

TABLE IX
 AGENCY FOR INTERNATIONAL DEVELOPMENT
 OVERSEAS WORKFORCE REQUIREMENTS
 IN WORK MONTHS

BUREAU: BUREAU FOR NEAR EAST
 DECISION UNIT: YEMEN

-----FY 83-----

Item	US/ FN	Func tion	Skill	Position Number and Title	Level	PERS CAT	WORK SHC	FY 81	FY 82	Rank Order Posn	At Min	At Curr	At AAPL	Rank Order Posn	Above Plan Level	FY 84	FY 85
3916	F	60	030	- Supply Clerk	N	-	40	12	0		0	0	0		-	0	0
3917	F	60	030	- Supervisor Warehouseman	N	-	40	12	0		0	0	0		-	0	0
3918	F	60	030	- Motor Pool Dispatcher	N	-	40	12	12	F-08	12	12	12	F-08	-	12	12
3919	F	60	030	- Transportation Clerk	N	-	40	12	12	F-22	12	12	12	F-22	-	12	12
3920	F	60	030	- Procurement Supervisor	N	-	40	12	12	F-24	12	12	12	F-24	-	12	12
3921	F	60	030	- Procurement Specialist	N	-	40	12	12	F-28	0	12	12	F-28	-	12	12
1518	F	60	030	- Local Purchase Agent	N	-	40	12	12	F-42	0	0	0		-	0	0
3896	F	60	030	- Customs Expeditor	N	-	40	12	12	F-32	12	12	12	F-32	-	12	12
1519	F	60	050	- Typist	N	-	40	2	0		0	0	0		-	0	0
1521	F	60	030	- Supervisor Warehouseman	N	-	40	12	12	F-43	0	0	0	F-43	-	12	0
1520	F	60	034	- GSO Assistant	N	-	40	5	0		0	0	0		-	0	0
1522	F	60	030	- Maintenance Supervisor	P	-	40	12	12	F-23	12	12	12	F-23	-	12	12
1523	F	60	030	- Maintenance Supervisor	N	-	40	12	0		0	0	0		-	0	0

TABLE IX
 AGENCY FOR INTERNATIONAL DEVELOPMENT
 OVERSEAS WORKFORCE REQUIREMENTS
 IN WORK MONTHS

BUREAU: BUREAU FOR NEAR EAST
 DECISION UNIT: YEMEN

Item	US/ FN	Func tion	Skill	Position Number and Title	PERS CAT	WORK SHC	FY 81	FY 82	Rank Order Posn	At Min	At Curr	At AAPL	Rank Order Posn	Above Plan Level	FY 84	FY 85	-----FY 83-----			
																	TOTAL WORK MONTHS	DH		
							852	882		654	873	873			870	846				
							(318)	(342)		(234)	(333)	(333)			(330)	(318)				
							(534)	(540)		(420)	(540)	(540)			(540)	(528)				
	U						34	36		24	36	36			34	12				
	*F						174	480		312	384	384			360	312				
							1060	1398		990	1293	1293			1254	1170				
							GRAND TOTAL ALL CATEGORIES IN WORK MONTHS													

*Please note that the total Work Months for Function 60 employees and for FN/PSCs could be further reduced by as much as 15% if the USAID is able to lease an apartment complex on Hadda Road.

NARRATIVE TABLE IX

The significant increase in the Grand Total Work Months, FY 82 over FY 81, is largely a reflection of a shift from institutional service contracting to use of FNS/PSCs. The direct hire work months increases by 30 between FY 81 and FY 82 (from 852 to 882). This assumes full occupancy of all positions planned. The long range trend shows little overall change in the total work months but reflects a continuing functional shift from Mission support toward project implementation.

USAID hopes to be able to lease 13 apartment units in the Hadda Road Complex sometime in early FY 82. If this change comes about, there will be a diminishing need for some support personnel such as houseguards, maintenance and supply/warehouse specialists. After the initial period of move-in, the total number of work months in the support areas could be reduced by as much as 15%.

BUREAU FOR NEAR EAST
DECISION UNIT: YEMEN

ATTACHMENT

FY 1983 ANNUAL BUDGET SUBMISSION

PD & S FUNDED AND AID/W FUNDED CONTRACTOR AND TDY REQUIREMENTS IN
FY 1982 - ALL FUNDS DA ACCOUNT

<u>PROJECT ACTIVITY/DESCRIPTION</u>	<u>OE (\$000)</u>	<u>PD&S (\$000)</u>
<u>ARDN</u>		
279-042; Land Classification & Soil Survey 1st QTR 1 person: 1.5 PM. NE/TECH DH to assist with evaluation.	6.5	
279-045; Local Resources for Development A. 3rd QTR 2 outside consultants: 3 PM Design assistance for Project Phase II.		38.4
B. 3rd QTR 1 person: 1 PM. NE/TECH or DS/RAD DH specialist. Assist with evaluation.	5.0	
279-052; Agricultural Development Support 2nd QTR 2 BIFAD persons: 2 PM, and 1 or 2 persons: 2 PM. NE/TECH or DS/AGR DH specialist. Assist with Ag. program review, evaluation of projects, preparation of workplan.	10.0 10.0	
<u>HEALTH</u>		
Family Planning & Population. 3rd QTR 1 person: 2 PM. Design & Implementation.		25.6
279-044; Small Rural Water Systems A. 4th QTR 1 outside consultant: 2 PM. Design assistance for Project Phase II		25.6
B. 4th QTR 1 person: 1 PM. NE/TECH or DS/ENGRDH specialist. Assist with evaluation.	5.0	
279-065; Tihama Primary Health Care 3rd QTR 2 persons: 2 PM. NE/TECH or DS/HEA specialist. Program review and project evaluation.	10.0	
<u>EHR</u>		
279-053; Basic Education Development 4th QTR 1 person. 1 PM. NE/TECH DH.	6.5	
TOTAL	53.0	89.6

279 - YEMEN ARAB REPUBLIC
AID PROGRAM IN FY 1983
ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA
BUREAU FOR NEAR EAST

PROJECT NUMBER	TITLE	L	INIT	FIN	LOPCOST AUTH PLAN	ESTIMATED U.S. DOLLAR COST (\$000)												FUT YR ITEM ORLS	NO
						FY 80	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91		
2790040	DEVELOPMENT TRAINING II					3200	3700	4200	4436	5267								211	
2790053	BASIC EDUCATIONAL DEVELOPMENT					2415	3700	3182	4219	4680	5376	5357	4826	5171	4700			204	
2790080 Development Training III										2508	3656	4123	4565	5168					
G 83 87										20,000									

APPROPRIATION	TOTAL	GRANT	LOAN	ESTIMATED U.S. DOLLAR COST (\$000)														
				FY 80	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91			
	65872	6959		5615	7382	7382	8655	12457	9632	9480	9391	8709						
COUNTRY	TOTAL 129744	164687	159687	19150	21100	21100	29221	32000	29338	29072	30169	30914	71604					
	GRANT 129744	159687	29887	14150	21100	21100	26650											
	LOAN	5000		5000		2000	2000											

Special Development Activities
Water Survey of the Yemen 2016 157