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

42

PROJECT PAPER  
SOUTH PACIFIC REGIONAL  
SPC MULTI-PROJECT SUPPORT  
879-0006

000039

AUGUST 1985

USAID/SUVA

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|  |  |  |                                 |                                  |
|--|--|--|---------------------------------|----------------------------------|
| <b>AGENCY FOR INTERNATIONAL DEVELOPMENT</b><br><b>PROJECT DATA SHEET</b>   |  | <b>1. TRANSACTION CODE</b><br><input type="checkbox"/> A = Add<br><input type="checkbox"/> C = Change<br><input type="checkbox"/> D = Delete<br><input checked="" type="checkbox"/> A  | Amendment Number<br><u>N.A.</u> | <b>DOCUMENT CODE</b><br><u>3</u> |
| <b>2. COUNTRY/ENTITY</b><br>SOUTH PACIFIC REGIONAL   |  | <b>3. PROJECT NUMBER</b><br><input type="checkbox"/> 879-0006 <input type="checkbox"/>   |                                 |                                  |
| <b>4. BUREAU/OFFICE</b><br>ANE<br>USAID/SUVA   |  | <b>5. PROJECT TITLE (maximum 40 characters)</b><br><input type="checkbox"/> SPC MULTI-PROJECT SUPPORT <input type="checkbox"/>   |                                 |                                  |
| <b>6. PROJECT ASSISTANCE COMPLETION DATE (PACD)</b><br>MM DD YY<br><input type="checkbox"/> 0 <input type="checkbox"/> 9 <input type="checkbox"/> 3 <input type="checkbox"/> 0 <input type="checkbox"/> 8 <input type="checkbox"/> 9 |  | <b>7. ESTIMATED DATE OF OBLIGATION</b><br>(Under 'B.' below, enter 1, 2, 3, or 4)<br>A. Initial FY <input type="checkbox"/> 8 <input type="checkbox"/> 5    B. Quarter <input type="checkbox"/> 4    C. Final FY <input type="checkbox"/> 8 <input type="checkbox"/> 9 |                                 |                                  |

| 8. COSTS (\$000 OR EQUIVALENT \$1 = ) |                    |            |             |                 |             |              |
|---------------------------------------|--------------------|------------|-------------|-----------------|-------------|--------------|
| A. FUNDING SOURCE                     | FIRST FY <u>85</u> |            |             | LIFE OF PROJECT |             |              |
|                                       | B. FX              | C. L/C     | D. Total    | E. FX           | F. L/C      | G. Total     |
| AID Appropriated Total                |                    |            |             |                 |             |              |
| (Grant)                               | ( 200 )            | ( 200 )    | ( 400 )     | ( 1250 )        | ( 1250 )    | ( 2500 )     |
| (Loan)                                | ( -- )             | ( -- )     | ( -- )      | ( -- )          | ( -- )      | ( -- )       |
| Other U.S.                            |                    |            |             |                 |             |              |
| 1. SPC                                | 135                | 135        | 270         | 1040            | 1040        | 2080         |
| 2. --                                 | --                 | --         | --          | --              | --          | --           |
| Host Country TES                      | 40                 | 35         | 75          | 180             | 180         | 360          |
| Other Donor(s)                        | 420                | 415        | 835         | 3530            | 3530        | 7060         |
| <b>TOTALS</b>                         | <b>795</b>         | <b>785</b> | <b>1580</b> | <b>6000</b>     | <b>6000</b> | <b>12000</b> |

| 9. SCHEDULE OF AID FUNDING (\$000) |                         |                       |         |                        |         |                                |         |                    |         |
|------------------------------------|-------------------------|-----------------------|---------|------------------------|---------|--------------------------------|---------|--------------------|---------|
| A. APPROPRIATION                   | B. PRIMARY PURPOSE CODE | C. PRIMARY TECH. CODE |         | D. OBLIGATIONS TO DATE |         | E. AMOUNT APPROVED THIS ACTION |         | F. LIFE OF PROJECT |         |
|                                    |                         | 1. Grant              | 2. Loan | 1. Grant               | 2. Loan | 1. Grant                       | 2. Loan | 1. Grant           | 2. Loan |
| (1) 103                            | 130                     | 140                   | --      | --                     | --      | 1000                           | --      | 1000               | --      |
| (2) 104                            | 510                     | 560                   | --      | --                     | --      | 800                            | --      | 800                | --      |
| (3) 105                            | 610                     | 610                   | --      | --                     | --      | 700                            | --      | 700                | --      |
| (4) --                             | --                      | --                    | --      | --                     | --      | --                             | --      | --                 | --      |
| <b>TOTALS</b>                      |                         |                       |         | --                     | --      | 2500                           | --      | 2500               | --      |

|   |     |  |  |  |  |  |                            |  |  |
|---|-----|--|--|--|--|--|----------------------------|--|--|
| 10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each) |     |  |  |  |  |  | 11. SECONDARY PURPOSE CODE |  |  |
| 12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)    |     |  |  |  |  |  |                            |  |  |
| A. Code   | BWW |  |  |  |  |  |                            |  |  |
| B. Amount   |     |  |  |  |  |  |                            |  |  |

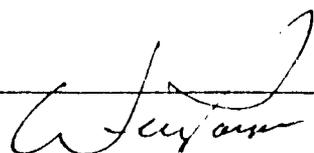
13. PROJECT PURPOSE (maximum 480 characters)

To help improve the quality of life for South Pacific Islanders, primarily through several project activities in Agriculture/Fisheries, Health, Training and Development Administration.

|                           |    |    |    |    |   |    |    |                              |                              |                                |   |     |
|---------------------------|----|----|----|----|---|----|----|------------------------------|------------------------------|--------------------------------|---|-----|
| 14. SCHEDULED EVALUATIONS |    |    |    |    | 15. SOURCE/ORIGIN OF GOODS AND SERVICES |    |    |                              |                              |                                |   |     |
| Interim                   | MM | YY | MM | YY | Final                                   | MM | YY | <input type="checkbox"/> 000 | <input type="checkbox"/> 941 | <input type="checkbox"/> Local | <input checked="" type="checkbox"/> Other (Specify) | 935 |
|                           | 0  | 3  | 8  | 8  |   | 0  | 9  |                              |                              |                                |   |     |

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a \_\_\_\_\_ page PP Amendment.)

N.A.

|                 |           |   |  |  |             |    |   |   |   |    |    |    |
|-----------------|-----------|---|--|--|-------------|----|---|---|---|----|----|----|
| 17. APPROVED BY | Signature |  |  |  |             |    | 18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION |   |   |    |    |    |
|                 | Title     | Regional Director   |  |  | Date Signed | MM |   |   |   | DD | YY | MM |
|                 |           |   |  |  |             | 0  | 8   | 3 | 0 | 8  | 5  |    |

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(i)

PROJECT AUTHORIZATION

South Pacific Regional

South Pacific Commission  
Multi-Project Support  
Project, No. 879-0006

1. Pursuant to sections 103, 104, 105 and 106 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the South Pacific Commission Multi-Project Support Project (the "Project") undertaken by the South Pacific Commission (the "Grantee") on behalf of member countries involving planned obligations of the amount not to exceed Two Million Five Hundred Thousand United States Dollars (\$2,500,000) in grant funds over a five-year period from date of authorization subject to the availability of funds in accordance with the AID OYB/Allotment process, to help in financing foreign exchange and local currency costs of the project.

2. The project will promote development activities in South Pacific island nations by utilizing the management expertise of the South Pacific Commission in collaborative activities to improve the social and economic status of the inhabitants of these island nations. Grant funds will be used to fund activities in agriculture and marine resource development, in health and health-related activities, development administration and in education, particularly the education of women. Funds may also be used for activities such as seminars, regional meetings and general U.S. technical assistance services to improve the coordinating and overall effectiveness of the Grantee's program; and for supporting project evaluations.

3. The Grant Agreement which may be negotiated and executed by the offices to whom such authority is delegated in accordance with AID regulations and delegations of authority shall be subject to the following essential terms and covenants and major conditions, together with such other terms and conditions as AID may deem appropriate:

- a. Except as AID may otherwise agree in writing, goods and services financed under the grant shall have their source and origin in countries included in AID Geographic Code 935, "Special Free World," which includes the participating country itself. This includes sea and air transportation financed under the project when United States source and origin are unavailable.
- b. Grantee will agree to finance or cause to be financed any additional or continuing costs for this activity or its discrete components from sources other than AID.

  
\_\_\_\_\_  
Signature

Regional Director  
\_\_\_\_\_  
Title

August 30, 1985  
\_\_\_\_\_  
Date

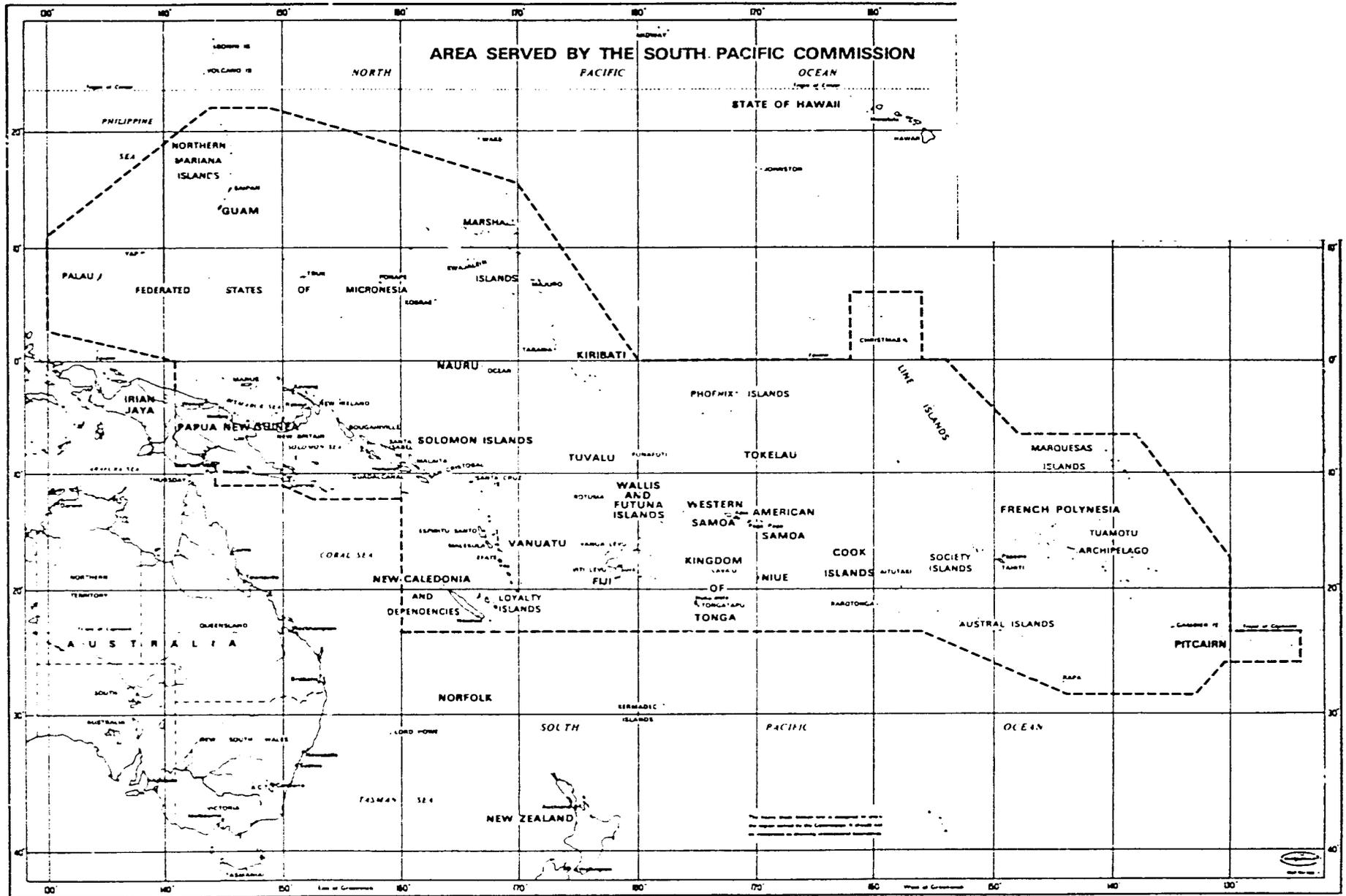
ABBREVIATIONS AND CONVENTIONS

|       |  |
|-------|--|
| ACO   | Area Contracting Officer   |
| ADB   | Asian Development Bank   |
| AID   | Agency for International Development                               |
| AIP   | Accelerated Impact Program   |
| CDSS  | Country Development Strategy Statement                             |
| CPF   | Pacific French Francs  |
| CRGA  | Committee of Representatives of Governments and Administrations    |
| EEC   | European Economic Community  |
| EEZ   | Exclusive Economic Zone (200 mile fishing rights zone)             |
| FY    | Fiscal Year  |
| GNP   | Gross National Product   |
| IBRD  | International Bank for Reconstruction and Development (World Bank) |
| PACD  | Project Assistance Completion Date                                 |
| PNG   | Papua New Guinea   |
| PP    | Project Paper  |
| PVO   | Private and Voluntary Organization                                 |
| RDO   | Regional Development Officer                                       |
| RLA   | Regional Legal Advisor   |
| SPC   | South Pacific Commission   |
| SPRDO | South Pacific Regional Development Office (AID)                    |
| UNDP  | United Nations Development Program                                 |
| USG   | United States Government   |
| WHO   | World Health Organization  |
| WID   | Women in Development   |

Monetary Units: All values shown are in U.S. dollars or dollar equivalent. CPF Francs were changed to dollar equivalent at the rate of 165 CPF Francs = \$1

Project Team:

|                  |   |                   |
|------------------|---|-------------------|
| William E. Paupe | - | RD /SPRDO         |
| Louis H. Kuhn    | - | RDO/SPRDO         |
| Hasan A. Hasan   | - | ANE/PD/EA - AID/W |



1. SUMMARY AND RECOMMENDATION

Summary: The AID South Pacific Regional Development Office (SPRDO) was established in 1978 and serves ten island countries with populations totalling 4.6 million. SPRDO strategy emphasizes agriculture/fisheries, health and development administration. Training and private enterprise development are cross-sectoral themes. The program is implemented primarily through U.S. and indigenous PVOs, South Pacific regional institutions, and a small grants program carried out with the U.S. Peace Corps. Over the years, approximately 22% of SPRDO assistance has gone to the programs of regional organizations, principally the University of the South Pacific (USP) and the South Pacific Commission (SPC). The SPRDO program totalled \$6.0 million in FY 1985, representing approximately 1% of all outside donor assistance to the region.

The SPC was founded in 1947, and is a public, international organization providing technical advice, training, and development assistance and information to twenty-two governments and administrations in the Pacific. The United States Government currently contributes about \$450,000 to the SPC's annual "core" budget. The donor community, including USAID/SPRDO, also contributes annually to SPC "extra-budgetary" projects and programs. SPRDO has contributed \$2.3 million to SPC extra-budgetary programs since 1979, the first year of assistance. This assistance has been for projects in tuna research, water and sanitation, the SPC environmental program, health education, and the SPC's Community Education Training Center.

The purpose of the South Pacific Commission Multi-Project Support (SPC-MPS) Project is to continue SPRDO project assistance to the SPC through the SPC-MPS by consolidating heretofore discrete, specific support grants into a single, flexible grant instrument.

The SPC-MPS Grant Agreement will fund approximately 4 - 6 sub-projects at any one time, taking on new sub-projects as previous ones expire. All sub-projects will be reviewed and approved by SPRDO, and will be in conformance with SPRDO sector priorities. SPC will have primary responsibility for managing and implementing the sub-projects in accordance with its established policies and procedures. Standard provisions and procedures in the SPC-MPS Grant Agreement will govern the administration of individual sub-projects.

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## 2. PROJECT RATIONALE AND DESCRIPTION

### 2.1 Rationale

#### 2.1.1 Background

In the mid-1970's the Department of State and the Asia Bureau of AID assessed the desirability and feasibility of establishing an AID presence in the South Pacific. The assessment was made in consultation with Australia, New Zealand and other Pacific Island nations. The impetus for the assessment was renewed recognition of US interests in the region to:

-- maintain open and secure sea and air communications throughout the Pacific;

--preserve US access to fish and seabed resources in the region's exclusive economic zones;

--support friendly governments that pursue moderate foreign policies supportive of US basic interests not only in the region, but also in the United Nations and in Third World councils;

--preserve the reservoir of goodwill toward the US which exists throughout the region, but which had suffered erosion from a lack of any significant US presence in the region since the end of World War II.

Eventually, as discussions evolved, the following three-part program was envisioned:

1. Active support for South Pacific regional organizations working in development in order to strengthen regionalism;

2. Adaption and expansion of private and voluntary organizations (PVO's) efforts in the South Pacific to form the bulk of the assistance;

3. Active collaboration with the Peace Corps to increase small-scale development activities.

1

The net result, for both the SPC and SPRDO, will be a sustained level of AID project assistance to the SPC with more efficient program management procedures.

Recommendation: That the South Pacific Commission Multi-Project Support (SPC-MPS) Project be authorized for \$2,500,000 to be disbursed over five fiscal years (FY 1985 - FY 1989) with a PACD of September 30, 1989.

2.1.2            Setting

The AID South Pacific Regional Development Office (SPRDO) covers ten independent countries in the South Pacific: Papua New Guinea, Solomon Islands, Tonga, Western Samoa, Fiji, Tuvalu, Cook Islands, Vanuatu, Kiribati and Niue. By contrast, the South Pacific Commission implements programs in the above ten plus twelve others: American Samoa, Federated States of Micronesia, French Polynesia, Guam, Marshall Islands, Nauru, New Caledonia, Northern Mariana Islands, Palau, Pitcairn Island, Tokelau, and Wallis and Futuna. All these countries are spread over millions of square miles from longitude 141 degrees E, to 150 degrees W, spanning approximately one sixth of the earth's circumference or a distance equivalent to that from Tehran to Manila. The latitudinal range is from 5 degrees N to 23 degrees S. This vast sea area encompasses miniscule land masses. Table 1 shows the populations, the population densities, and the land and sea (EEZs) masses of the countries served by AID's South Pacific Regional Development Office (SPRDO).

TABLE 1THE SOUTH PACIFIC REGIONSERVED BY THE SPRDO

| COUNTRY             | ESTIMATED<br>POP. (000) | LAND AREA<br>SQ. KM | SEA AREA<br>SQ. KM* | POPULATION        |
|---------------------|-------------------------|---------------------|---------------------|-------------------|
|                     |                         |                     |                     | DENSITY<br>SQ. KM |
| Cook Islands        | 17.4                    | 240                 | 1,830               | 75                |
| Fiji                | 670.0                   | 18,272              | 1,290               | 35                |
| Kiribati            | 61.9                    | 690                 | 3,550               | 86                |
| Niue                | 3.4                     | 259                 | 390                 | 13                |
| Papua New<br>Guinea | 3,230.0                 | 462,243             | 3,120               | 6                 |
| Solomon Islands     | 252.0                   | 28,530              | 1,340               | 8                 |
| Tonga               | 98.1                    | 699                 | 700                 | 139               |
| Tuvalu              | 7.5                     | 26                  | 900                 | 288               |
| Vanuatu             | 129.4                   | 11,880              | 680                 | 10                |
| Western Samoa       | 159.0                   | 2,935               | 120                 | 53                |

Sources: South Pacific Commission, Statistical Summary, 1982.  
Asian Development Bank, Key Indicators, April 1984; Asian  
Development Review, Vol.3, No. 1, 1985

Note: Multiply sq.km by 0.4 to obtain sq. miles

\* Due to a 200 mile limit established by the members of the  
South Pacific Forum to create "exclusive economic zones" (EEZ).

The SPRDO program area has a population of approximately 4.6 million, and extends over an area of 5.6 million square miles, 65% of which is ocean. The 10 island countries served by the SPRDO only became independent during the 1960's and 1970's. They generally lack institutional depth and skilled managerial resources, have considerable cultural and economic diversity, are effected in varying degrees by the vagaries of small island economies and by the health problems of isolated, rural subsistence communities. They can be considered a homogeneous region only in the broadest terms. SPRDO assistance strategy is centered on agriculture (including fisheries), health (primarily in Melanesia) and development administration. Training and private enterprise development are primary themes in all project assistance. Alternative and renewable energy sources are a secondary program interest.

SPRDO assistance to the island countries has been implemented indirectly through PVO's, South Pacific regional organizations, and a small grants, "Accelerated Impact" program carried out in cooperation with the U.S. Peace Corps. In FY 1986, direct, government-to-government assistance to Fiji will begin with the establishment of a bilateral program for that country. More informal government-to-government assistance to the other countries in the region will be made through the Development Support Training and Regional Private Enterprise Development projects to be established in FY 1985 and FY 1986 respectively. SPRDO anticipates an on-going portfolio of approximately seven or eight principal projects to implement its program. Several of these projects will, in turn, be vehicles of support to more numerous sub-project grants and contracts.

2.1.3 Rationale for Establishing a Multi-Project Support (MPS) Grant

When the AID assistance program in the South Pacific began in 1977, it was envisioned that the implementation of the program would rely heavily on three institutional groups: South Pacific regional organizations, PVO's and the U.S. Peace Corps. Implementation of the assistance program thus far through close collaboration with these groups has been relatively successful. The South Pacific Commission has been one of the regional organizations that has worked closely with AID. However, whereas assistance through PVO's and the Peace Corps has been channeled through one project each, PVO Co-Financing and the Accelerated Impact Program (AIP) respectively, assistance through SPC has been

fragmented into six small grants. Amalgamating the four remaining grants into one and collaborating on new project components and activities is a logical next step in the AID-SPC relationship.

The new combined project represents a flexible approach to meeting development problems in the region across all sectors. It offers a unique response capability by SPRDO to selected development problems.

#### 2.1.4 Relationship to AID and SPC Development Strategies

SPRDO, through its CDSS, has a regional development strategy with primary emphasis on the agriculture (including marine resources) and health sectors. Private enterprise development and participant training project activity focus principally on those two sectors.

The South Pacific Commission defines its regional strategy in its latest (FY 1986) integrated work program with emphasis on food production, marine resources, rural management and technology, community services, socio-economic statistics, education services, regional consultations, information services, awards and grants, and cultural conservation and exchange.

All project components and activities funded under this grant will be in sectors which involve priorities of SPRDO. Thus the project conforms to SPRDO strategies and objectives. Typical of areas of overlapping SPRDO and SPC priorities, and probably the most important, are the development and exploitation of marine resources and the development of effective measures to address health, health education and nutritional problems. These are high priority areas in both strategies and collaboration will utilize the comparative advantages of SPRDO (flexible funding resource, decentralized response capability) and the SPC (extensive experience in the development of the region going back nearly forty years, freedom of action relatively unencumbered by procurement and other regulations, availability of experienced technicians and support staff).

#### 2.1.5 Other Donor Activity

The single major donor in the South Pacific region is Australia, contributing approximately 58% of the \$600 million annual assistance to the ten countries covered by SPRDO. However, the great majority of Australia's funds (about 48% of all total assistance or over \$250 million) is

provided to Papua New Guinea in the form of an untied grant for budgetary support. United Kingdom and New Zealand are also major donors to the region, contributing about 13% and 7% respectively. Thus, the three major donors contribute about 78% of all funds. The remaining 22% is shared by four international organizations (ADB, EEC, IBRD, and UNDP) contributing about 16%, and by West Germany, Japan and the United States, together contributing the remaining 6%. The U.S. contribution amounts to less than 1%. Other countries such as the People's Republic of China and Kuwait have shown interest in the Region by making available limited assistance resources.

The direction and volume of bilateral assistance tend to be influenced by the historical ties existing between donor and recipient countries. Thus much of the resources made available by the three major donors is provided for budget support for their client island countries. However, in addition to budget support, these and other donors have funded projects in manpower development, communications, rural development, natural resources development, education (including university level) programs, livestock improvements, crop production, reforestation and timber utilization, and infrastructure. But few have traditionally given much support to grass-roots community development programs in any sector.

Since most large donors are members of the SPC, and the SPC coordinates its work program with international lending agencies, it is not likely that any component or activity financed under the project will duplicate or overlap with activities undertaken by other donors.

## 2.2 Detailed Project Description

### 2.2.1 Goal and Purpose

The goal of the South Pacific Commission Multi-Project Support (SPC-MPS) Grant is to contribute to the improvement of the quality of life of the people of the South Pacific. Its purpose is to principally address development constraints in the agriculture, including fisheries, and health sectors through selected interventions approved by the SPC. Specifically, the project will facilitate the commercial exploitation of marine resources, will improve the health of rural inhabitants, will enhance health education, will improve the education levels and general skills of women in

the region, and will contribute to other training and skills development programs of the SPC.

#### 2.2.2 Outputs, Inputs and End of Project Status

The outputs of the project are going to be diverse because of the number of components of the project, some of which are not known yet. However, the outputs of existing components can be outlined.

One output is that the protein intake for all islanders will increase as a result of improved fisheries. In addition a statistical base for marine resources in the region will be developed. Approximately 100 rural water systems will have been completed in small villages of 400-1500 population, and a like number of sanitation systems will have been installed. Over 1,000 water-seal type latrines will have been completed, and a maintenance capability will have been established for these systems. Approximately 200 island women will have been graduated from a ten-month training course that covers traditional community development courses as well as providing training in small business and income generating skills. Printed health education materials, including the dangers of smoking, alcohol and drug abuse, will have been produced and distributed all over the islands in native languages. A large number of islanders will have attended training courses, seminars, conferences and workshops and many others will have graduated from short training courses in health, agriculture, education, marine resources etc.

The project should result in making available more resources to the region through the development and exploitation of marine resources. It should also improve the health and nutrition status of all islanders by increasing their protein intake, improving environmental hygiene, and decreasing the incidence of water-borne and other diseases. It should also result in the development of a reservoir of trained women who will not only contribute to the improvement of the health, nutrition and home management of their families but will also make a contribution to the economies of their island countries by stimulating business activity and increasing productivity and income.

AID inputs to the project are in the form of grant funds to the SPC. These funds are spent for the salaries and benefits of experts and technicians either on the core staff or hired by SPC to implement activities under the project. AID monies are also spent for travel, supplies, construction materials and equipment (pipe, tanks, pumps, latrine covers,

cement, tools, etc.) library resources, printing of materials and some vehicles.

AID inputs constitute about 20% of all project needs. The remaining inputs come from donors (Australia, France, New Zealand) in the form of cash contributions and from the SPC, host governments and the communities being served.

Typically, SPC inputs include the retention of contractors, procurement services, transportation, subsistence allowances, technical/engineering assistance, supervisory services, on-the-job training, supplies and training materials. Thus much of SPC inputs are in the form of salaries, travel costs, subsistence and overhead of its expert staff. Although contributions vary from one component activity to another, SPC's resources and those of other donors have on average amounted to about 75% of all project costs.

The remaining 5% is contributed by host governments and by communities benefiting directly from the project. Government contributions have been in-kind, but more importantly, have included commitment to SPC initiatives and sponsorship so that these initiatives have gained acceptance and support. Host governments have traditionally assigned a government officer to coordinate the project and act as liaison with local communities. In addition, governments have provided support services to SPC technicians and to their own officials and have waived duties on imported materials. They have also provided transportation and safe storage facilities for project materials when appropriate.

Local communities have provided free labor, land, local materials and trainee-candidates when appropriate. The mix of government and local community contribution varies with the type of activity, its location, and the extent to which local communities are directly affected.

### 2.2.3 Project Components

The SPC-MPS will consist of several components over the five-year life of the project, probably not exceeding six components at any one time. To begin with, the project will incorporate some active SPC projects and add a new component. As some of these sub-projects and components either terminate or are taken over by other donors before termination within the next five years, SPRDO will select new ones for incorporation into the project in accordance with the selection criteria stated below. A division of existing, new and future components follows.

2.2.3.1 Existing Components

There are four existing components that will be incorporated into the project until they terminate or are taken on by other donors:

(a) Tuna and Billfish Assessment Program (879-0002): The purpose of this component is to obtain, collate and disseminate in useful formats information on tuna and billfish and to provide resource management assistance to the South Pacific countries based on this information. Data based on registered fish catches indicate that 75% of all fish taken in the region is tuna and that 92% of all fish resources in the 200 mile fishing zones (exclusive economic zone - EEZ) claimed by individual countries consist of tuna and billfish. Tuna and billfish resources in the region are estimated to be worth \$400 million. The impact of these resources on the livelihood and lifestyles of the region is immeasurable. This component will consolidate information from all sources, particularly the fisheries departments in the area, on the distribution and on the availability of exploitable stocks. It will also document recent changes in yields and harvesting techniques. Based on this information, countries in the region will be able to adopt national fisheries development plans and resource management and will be able to obtain international agreements on potential yields. AID contribution will be combined with other donors to finance salaries, travel, equipment and supplies, fish tag rewards and miscellaneous expenses. AID's contribution thus far of \$400,000 constitutes approximately 30 percent of the program, the remaining requirements being funded by Australia, France, and New Zealand.

For example, in 1984 AID obligated \$100,000 for this program whereas these three donor countries contributed \$225,000. Of the projected 1985 funding, AID is slated to contribute approximately \$150,000 of the total requirements of \$500,000. The remaining \$350,000 will be contributed by these three countries. The original program was scheduled for completion by September, 1984 but was extended by two years to September 1986. However, there is a consensus among the donors and the SPC that a second phase of this project should commence immediately following the September, 1986 termination of Phase I. The purpose of the second phase would be to use the information gathered under Phase I for marketing fishing rights in each country's exclusive economic zone of 200 miles to international commercial fishing fleets and to assist island nations to develop their own national fisheries systems. AID will participate in the

second phase of this component.

(b) Small Scale Rural Water Supply and Sanitation Program (879-0269): The purpose of this component is to provide adequate and accessible water points for domestic and sanitary use and to improve sanitation conditions, including the provision of water-seal latrines.

The region suffers a number of endemic diseases related to inadequate and/or contaminated water supply and poor sanitation. This component addresses these constraints and is consistent with the conclusions of the World Health Organization (WHO) that in rural areas more health benefits can be gained from funds spent on water supply schemes that provide water in adequate quantity and quality convenient to the population than in any other way. However, more water supply results in more waste water that needs to be drained away in a sanitary fashion to avoid its becoming stagnant thus attracting insects hosting disease vectors - which will negate any public health benefits that may be gained from increasing the water supply. Therefore, the project financed and will continue to finance a variety of water supply as well as sanitation schemes. The water supply schemes have included protecting and tapping springs, building earthfill dams across streams to form reservoirs, deep and shallow wells, rain water catchment and storage, or using a surface source such as a lake or a river. The costs of these schemes vary depending on the particular scheme, source location vis-a-vis the area to be served, size of population, topography, pumping and storage requirements, etc. The cost per system has ranged from \$5,000 to \$25,000. About 50 such systems have been completed thus far in seven countries and a small number remains under construction. It is expected that about 100 such systems will be completed by the end of the project.

Each water supply scheme has an associated sanitation scheme aimed at the sanitary disposal of used water and also at the sanitary disposal of human excrement. Waste water has been removed through soakage pits, soakaway trenches, conduits to rivers, or similar means. To dispose of human excrement, the water-seal pit latrine has been used extensively under this component. This type of latrine was introduced in the Pacific region in 1965 and has gained wide acceptance in the islands. The water seal bowl which covers the latrine pit is now manufactured of plastic (high density white polythene) at a very reasonable cost. This is a great improvement over the heavy concrete unit. The aim of this sanitation element is to provide a water seal latrine to each family unit in a sub-project area.

This is a self-help initiative where the community provides voluntary labor and local materials, the government provides internal transportation and waiving of import duties, and the SPC provides all equipment, imported materials, engineering design construction advice and technical assistance. SPC has assigned a project manager and four volunteers to work with local communities. AID is the only donor thus far. AID funds have been spent on materials, tools, equipment, field supervisory salaries and travel and vehicles. AID has obligated \$600,000 thus far. The project is due for completion by the end of CY 1985. However, because of the high demand, it is expected that it will be extended by two years until the end of CY 1987.

(c) Health Education Materials and Advisory Services (879-0005): The purpose of this component is to enable SPC's health education unit to increase production of a variety of materials, to train local personnel in materials production, and to provide advisory services to SPC member countries. This has been a core project of SPC's health programs whereby the SPC has given assistance upon request to each country to develop and foster its own health education program. Due to budgetary constraints, SPC had sought funding from extra budgetary sources to augment its core budget resources for the program. AID's involvement under this component is a two-year effort due to expire in September 1986. AID is the only donor to the education materials aspect, contributing \$67,000 over a two year period mostly spent for health education material production and distribution. SPC reports that there has been a continuing demand for the health education materials printed under AID financing. These include simple educational materials printed in English, French and some Pacific languages on topics such as family health; smoking, alcohol and drug abuse; village sanitation and clean water; personal hygiene and cleanliness; and on certain diseases. SPRDO does not expect that it will obligate FY 1985 funds under this component. However, since the SPC effort in this area is a permanent and continuing one, SPRDO would like to leave open the option of doing so in the future.

(d) Community Education Training Center (CETC)/Women in Development (WID) (879-0274): The purpose of this component is to provide partial support to SPC's CETC in Suva, Fiji. CETC trains about 30 women from the island nations per year in a 10-month training course with an extensive and varied curriculum. The purpose of the training is to provide these women with the skills to improve their lives and the lives of their families, to improve the status of women in society, to enable women to participate more actively in income-generating activities, to enable graduates to train

other women in their communities in similar initiatives, and to improve the general well-being and quality of life of future generations. The CETC is a permanent organization of the SPC with permanent staff located in Suva, Fiji.

AID's contribution over a three year period has been \$286,500 which were spent for instruction, curriculum development and some equipment and materials. Australia, France and the Commonwealth Fund for Technical Cooperation have contributed to CETC. Budget requirements are projected at approximately \$196,000, \$217,000, \$223,000 and \$229,000 for FY 85-88 respectively and include the expansion of facilities of the CETC. The CETC was evaluated in 1983. As a result of the evaluation, the curriculum was revised from traditional home economics, family-based set of courses to include leadership, business management and income generating skills. Future activities of CETC will include the expansion of its instructional staff, expanding its library facilities, development of textbooks and training materials, improvement of physical facilities, and updating its equipment. SPRDO will participate in some of these and other activities over the life of the project.

#### 2.2.3.2

#### New Component: Technical Assistance, Regional Conferences and Workshops

The purpose of this component is to provide a funding source and flexibility for SPRDO to respond to requests from the SPC in this area. Although there is no discrete account in the SPC integrated work program for conferences, seminars, workshops and meetings, the work plan includes many discrete line-items dealing with regional gatherings for specific purposes.

For example, the integrated work program includes line items for sub-regional training courses and a workshop on plant protection, regional workshop on biological control, regional technical meeting on fisheries, sub-regional workshop on management of small water supplies, sub-regional workshop on sewage and waste water disposal for rural areas and small communities, energy meeting, regional youth conference education systems, and regional women's meetings to name a few. Most of these vary in duration from one day to two weeks; and are funded from SPC's extra-budgetary sources.

In most cases there will be other donors contributing to these and similar regional gatherings. They are all held in the South Pacific region. SPRDO will participate in the funding of selected gatherings when such sponsorship would enhance its program and when these gatherings fit within its CDSS objectives.

This new component line item (and possibly portions of the inflation and contingency line items as well) will also be available for technical assistance (including evaluation) not covered by specific sub-projects and for new sub-project design.

### 2.2.3.3 Future Components

Future components will be approved by SPRDO for inclusion under the project as may be appropriate. SPRDO will have the flexibility to finance new components provided that such components meet the following selection criteria:

- a component has been listed as a project, subproject or activity as a part of SPC's integrated work program as approved by the latest meeting of the South Pacific Conference;

- such a component is in conformity with SPRDO's CDSS and the general areas of primary and secondary emphases;

- it will not be staff intensive from SPRDO's viewpoint (although it may be relatively staff intensive as far as SPC is concerned) and the burden of implementation and monitoring will rest with SPC;

- it will complement existing SPRDO major on-going initiatives and in a sense "fill in the gaps," but will not duplicate or overlap with such initiatives;

- The timing of the component will fall within the life of project of the SPC-MPS as this project life may be extended.

As the current components may be completed or taken on by other donors and as suitable intervention opportunities are identified, SPRDO will add new components that meet the above criteria. Once a component is identified, SPC will prepare a proposal for AID's consideration as it has done in the past, basically in conformance with its usual established policies and procedures (see item 4.2.3). Upon receipt of this SPC proposal, SPRDO will review to ensure it meets the criteria outlined above, as well as established AID project design standards. SPRDO will either reject the proposal, ask for modifications, or approve it as submitted. Upon acceptance, SPRDO will issue a letter of implementation incorporating the component into the project.

3. COST ESTIMATE AND FINANCIAL PLAN AND ANALYSIS

3.1 Financial Picture of SPC

Budget resources of the SPC are divided into two principal parts: a core budget and voluntary contributions also known as extra budgetary sources. The core budget consists of annual contributions by all 27 members of the SPC in accordance with an agreed upon formula. The five original members of the SPC contribute a total of 93.2% of the core budget. The remaining 6.8% is divided among the other 22 members in accordance with per capita GNP. The current formula for contribution to the core budget is shown in Table 2.

TABLE 2CONTRIBUTIONS TO SPC'S CORE BUDGET

| <u>Country</u>                         | <u>Percentage</u> |
|--|-------------------|
| Australia                              | 33.263            |
| France                                 | 13.860            |
| New Zealand                            | 16.137            |
| United Kingdom                         | 12.176            |
| United States of America               | 16.830            |
| Per Capita income in excess of A\$1000 |                   |
| American Samoa                         | 0.550             |
| Fiji                                   | 0.550             |
| French Polynesia                       | 0.550             |
| Guam                                   | 0.550             |
| Nauru                                  | 0.550             |
| New Caledonia                          | 0.550             |
| Per capita income A\$600-1000          |                   |
| Federated States of Micronesia         | 0.3928            |
| Marshall Islands                       | 0.3928            |
| Northern Mariana Islands               | 0.3928            |
| Palau                                  | 0.3928            |
| Papua New Guinea                       | 0.3928            |
| Per Capita income A\$1-600             |                   |
| Cook Islands                           | 0.247             |
| Kiribati                               | 0.247             |
| Niue                                   | 0.247             |
| Solomon Islands                        | 0.247             |
| Tokelau                                | 0.247             |
| Tonga                                  | 0.247             |
| Tuvalu                                 | 0.247             |
| Vanuatu                                | 0.247             |
| Wallis and Futuna                      | 0.247             |
| Western Samoa                          | 0.247             |
| (Pitcairn Island)                      | ( -- )            |

The 1984 actual core budget of SPC was about \$2.28 million. The approved 1985 core budget is \$2.59 million and the proposed 1986 budget, as approved by the Committee of Representatives of Governments and Administrations (CRGA) in May, 1985 is \$3.13 million. The 1986 core budget estimate for executive management and other administrative expenses is \$1.0 million or approximately 37% of the core budget. The remaining 63% of the core budget is programmed for projects. The core budget estimate for 1987 is at \$3.32 and has been growing at approximately 5% per annum.

The USG core budget contribution for 1986 is estimated at \$450,000. This annual USG contribution to SPC is paid by the State Department from the International Organization account. The core budget is used to pay for all SPC executive and administrative expenses and support, and to fund a significant number of development programs. AID funds provided under this project will not be used to supplement other USG contributions from other specific USG appropriations for the general SPC budget.

The voluntary contributions or extra-budgetary sources are project-specific and are contributed by individual countries, public and private foundations and organizations, international development banks, United Nations organizations, and national development agencies such as AID. The 1984 extra-budgetary sources contributed \$2.62 million to finance approximately 50 different projects, activities, meetings, scholarship programs, studies etc. The 1985 voluntary budget has been pledged at \$2.65 million. The extra-budgetary sources contributions have been growing at a similar rate as the core budget.

Thus total budget resources of the SPC is now running about \$5.0 million per year, with about \$1.0 million going for administration and support and \$4.0 for projects.

### 3.2 Basis of Cost Estimate of Project

The estimate of cost of the project is shown in Table 3. All projections for SPC contributions and for other donor inputs were based on SPC's working paper for the May 1985 meeting of CRGA. This document contains firm estimates for FY 85 and FY 86 and preliminary estimates for FY 87 and FY 88. In projecting these estimates certain assumptions were made. One assumption was that all donors will continue to contribute to SPC's extra-budgetary finances at approximately the same rate. Another assumption was that SPC's contributions to components supported by AID will

remain approximately the same. It may be that projections on this basis are optimistic, particularly since pledges for FY 1986 from extra budgetary sources have held at the same level as FY 85. Therefore, these estimates should be looked upon as a matter of level of magnitude to illustrate the level of AID contribution vis-a-vis SPC's outlays for the project. The financial tables show that AID funds amount only to about 21% of the total project cost. Even if SPC resources were cut in half, AID contribution will remain at 30%.

Host government and local community contributions will all be in kind, and have been greatly understated in the projections. These contributions have been substantial whenever SPC was involved in infrastructure activities such as Small-Scale Rural Water Supply and Sanitation. However, the trend in SPC's projects has been to minimize infrastructural projects. Therefore, these contributions were estimated at very low levels, and almost all such projections are attributed to the Water Supply component. Nevertheless, sub-project designs will be guided by AID policy on recurrent costs which encourages local contribution to maintenance or infrastructure (e.g. potable water) and other efforts to make sub-projects self-sufficient.

### 3.3 Analysis of Financial Estimate

The following three financial tables illustrate the financial plan of the project. Table 3 summarizes the estimate of sources and uses of funds assuming that existing components continue to be assisted by AID through termination. Table 4 shows donor contributions by fiscal year, and Table 5 shows planned obligations of AID funds over the life of the project.

Given this type of project, it would be difficult to state specifically for what purpose AID funds will be spent for the project as a whole. Thus, if a component's activities involves studies, research, teaching etc., the bulk of AID funds will go for salaries and social benefits of the experts, researchers and teachers whom SPC will hire to augment their staff in implementing the project. The Tuna and Billfish Assessment and the Community Education Training Center (CETC) components fall into this category. For example, approximately 90% of CETC AID funds go for salaries of instructors and curriculum development consultants, while only 10% go for both expendable and non-expendable materials. Similarly, 87% of AID funds for the Tuna and

Billfish Assessment component go for salaries of experts and researchers, 9% for travel and subsistence, and 4% for materials. On the other hand, 79% of all project funds for the Small-Scale Water Supply component go for materials and equipment but only 15% for salaries, with the remaining 6% going for the purchase, operation and maintenance of one vehicle and for other transport costs.

It would also be difficult to divide AID expenditures into foreign exchange and local currency components because of the great variety in the way SPC conducts its business. For example, many personal services contracts are funded with foreign exchange although SPC's permanent staff and many contractors are paid in CFP francs. Also materials are paid for in local currency if procured in the island nations, but are paid for in foreign exchange if procured outside. An estimate of local and foreign exchange costs being equal at 50% each is probably not far off the mark.

TABLE 3  
SUMMARY COST ESTIMATE AND FINANCIAL PLAN  
(US \$ 000)

| Source<br>Use             | AID   | SFC*  | Host<br>Govts | Other**<br>Donors | Total  |
|---------------------------|-------|-------|---------------|-------------------|--------|
| Tuna and Billfish         |       |       |               |                   |        |
| Assessment                | 550   | 80    | 0             | 1,950             | 2,580  |
| Small-Scale Rural         |       |       |               |                   |        |
| Water and Sanitation      | 300   | 50    | 225           | 0                 | 575    |
| Health Education          |       |       |               |                   |        |
| Materials                 | 50    | 125   | 0             | 625               | 800    |
| Com. Ed. Trng             |       |       |               |                   |        |
| Center-CETC               | 300   | 625   | 0             | 1,925             | 2,850  |
| Tech. Assist.,            |       |       |               |                   |        |
| Conferences,<br>Workshops | 130   | 450   | 0             | 0                 | 580    |
| Future                    |       |       |               |                   |        |
| Components                | 970   | 560   | 100           | 1,900             | 3,530  |
| <hr/>                     |       |       |               |                   |        |
| Subtotals                 | 2,300 | 1,890 | 325           | 6,400             | 10,915 |
| Inflation                 | 100   | 95    | 18            | 330               | 543    |
| Contingency               | 100   | 95    | 17            | 330               | 542    |
| <hr/>                     |       |       |               |                   |        |
| TOTALS                    | 2,500 | 2,080 | 360           | 7,060             | 12,000 |

Note: The split between foreign exchange and local costs varies, but averages about 50% each. Use of funds is illustrative and assumes AID assistance to a component will continue as long as the component is part of the SPC annual work plan.

\* This column includes estimates from SPC'S core budget.

\*\* This column includes estimates from SPC's extra-budgetary sources.

TABLE 4  
PROJECTIONS OF EXPENDITURES BY FISCAL YEAR  
 (US \$ 000)

| Source<br>FY | AID   | SPC   | Host<br>Countries | Other<br>Donors | Project<br>Total |
|--------------|-------|-------|-------------------|-----------------|------------------|
| 1985         | 400   | 270   | 75                | 835             | 1,580            |
| 1986         | 470   | 340   | 85                | 1,100           | 1,995            |
| 1987         | 470   | 400   | 95                | 1,315           | 2,280            |
| 1988         | 470   | 430   | 30                | 1,525           | 2,455            |
| 1989         | 490   | 450   | 40                | 1,625           | 2,605            |
| Subtotal     | 2,300 | 1,890 | 325               | 6,400           | 10,915           |
| Inflation    | 100   | 95    | 18                | 330             | 543              |
| Contingency  | 100   | 95    | 17                | 330             | 542              |
| TOTAL        | 2,500 | 2,080 | 360               | 7,060           | 12,000           |

TABLE 5  
PLANNED OBLIGATIONS OF AID FUNDS  
(US \$ 000)

| Component                    | Total*<br>FY80-84 | FY<br>85 | FY<br>86 | FY<br>87 | FY<br>88 | FY<br>89 | Total |
|------------------------------|-------------------|----------|----------|----------|----------|----------|-------|
| Tuna and Billfish            |                   |          |          |          |          |          |       |
| Assessment                   | 400               | 150      | 100      | 100      | 100      | 100      | 550   |
| Small Scale Rural            |                   |          |          |          |          |          |       |
| Water and Sanit              | 600               | 100      | 100      | 100      | --       | --       | 300   |
| Health Education             |                   |          |          |          |          |          |       |
| Materials                    | 67                | 0        | 50       | --       | --       | --       | 50    |
| Comm. Ed. Trng               |                   |          |          |          |          |          |       |
| Center (WID)                 | 286.5             | 100      | 100      | 50       | 50       | --       | 300   |
| Tech. Assist.,               |                   |          |          |          |          |          |       |
| Conferences,<br>Workshops    | 0                 | 50       | 20       | 20       | 20       | 20       | 130   |
| Future                       |                   |          |          |          |          |          |       |
| Components                   | 0                 | 0        | 100      | 200      | 300      | 370      | 970   |
| Subtotal                     | 1,353.5           | 400      | 470      | 470      | 470      | 490      | 2,300 |
| Inflation and<br>Contingency | --                | --       | 50       | 50       | 50       | 50       | 200   |
| TOTAL                        | 1,353.5           | 400      | 520      | 520      | 520      | 540      | 2,500 |

\*These totals have been obligated for the on-going components of the project and are stated here for information purposes. These figures are not included in the estimates and projections of the new project. Furthermore, projections for the new project assume that a component will continue to be assisted by AID through its life, which may or may not be the case in future years.

### 3.4 Disbursement Procedures

All project funds will be disbursed through SPC. AID will not disburse funds to suppliers of goods and services to the project, either directly, through letters of commitment, or through project implementation orders. SPC will contract for all goods and services and will disburse funds for them directly.

In order to facilitate project implementation and assure the availability of funds to SPC, the periodic advance payment method of financing will be used in the project. USAID/Manila controller has formulated advance payment provisions for the active components of the project, and these have worked satisfactorily. Therefore, these same payment provisions will be used for all components of the project, old and new.

In essence, SPC will receive a cash advance of its projected expenditures under the project for up to 90 days. SPC will deposit the advance in its special multi-donor account, and the advance will be liquidated against allowable cost items under the project. Replenishment of the advance for up to the next 90 days will be determined by project needs and by the degree to which the previous advance has been liquidated. The payment provisions and related schedules will be detailed in the SPC-MPS Grant Agreement.

## 4. IMPLEMENTATION PLAN

### 4.1 Overview

This is a five-year project. It is expected it will be authorized in August 1985. The Project Assistance Completion Date (PACD) will be September 30, 1989.

The project will combine up to four on-going grants that would become sub-projects. These on-going activities are being implemented by an intermediary institution, the SPC, and the new project will also be implemented by SPC. SPC will carry out many of the actions normally carried out by an AID Mission such as the procurement of goods and services and participant training. The roles of SPRDO and SPC are outlined in detail in the following sections.

The project's key events are primarily the selection of new components for inclusion into the project, and monitoring the implementation of on-going components. There will be a need to include a new component in the project in FY 1986, to replace the education materials component which will be phased out then. It will also be necessary to select and include into the project new components in FY 1987 to replace the Small-Scale Rural Water Supply and Sanitation

and the Community Education Training Center components. It will not be practical to add new components after 1987 since the project is scheduled to terminate in 1989, unless the project PACD is extended.

The disbursement arrangements of project funds are outlined in the Cost Estimate and Financial Plan and Analysis section. The schedule of evaluations is shown below under the evaluation arrangements section.

#### 4.2 Project Implementation/Administration Arrangements

##### 4.2.1 SPRDO's Role

Management of the project from the AID side will be assigned to a direct hire AID officer assigned to SPRDO. His/her responsibilities will be to monitor project progress and to keep close contact and coordinate with personnel of the SPC. The project manager will be the primary point of contact in SPRDO for SPC and for host governments involved in the project. He/she will review and approve all disbursement vouchers, will respond to major correspondence, will prepare all implementation letters, will prepare status reports, and in general will keep abreast of all developments in all aspects of the project.

Although this project manager will have primary responsibility for the project, SPRDO is a small office and all direct hire staff, contract personnel and senior local employees maintain familiarity with all projects in SPRDO's portfolio and will be able to assist and act for the project manager when out of the office. This is particularly true because the diversity and geographic dispersion of countries in the South Pacific region covered by SPRDO place additional demands on all project managers.

##### 4.2.2 Assistance from Regional Personnel and from AID/W

SPRDO will depend on USAID/Manila to provide specialized skills and expertise that may be required in implementing the project. The Regional Legal Advisor (RLA), the Regional Contracting Officer (ACO) and the Controller will provide their services on a continuing basis as they have done in the past.

Other specialized assistance that may be needed by SPRDO in implementing the project, such as engineering, agricultural, and health skills, will be made available from sources such as USAID/Manila, ANE/PD and ANE/TR.

4.2.3 South Pacific Commission Role

SPC will have the primary responsibility for managing and implementing all components of the project in accordance with its established policies and procedures.

SPC will prepare a detailed proposal for each component and will outline how it will be implemented. It will also secure all inputs, additional to AID funds, for the project including inputs from its own resources, other donors, host governments and participating communities. It will contract for all procurement of goods and services for the project, and will sign and execute such contracts. It will take delivery of project materials, equipment, vehicles, etc., and will be responsible for proper storage of all materials and for the operation and maintenance of all equipment and vehicles. When possible, goods and services to be financed with AID funds will be procured from economically and socially disadvantaged United States (U.S.) enterprises or individuals, historically U.S. black colleges and universities, and U.S. non-governmental organizations which are controlled by U.S. individuals who are economically and socially disadvantaged. Economically and socially disadvantaged individuals include women.

SPC will be responsible for arranging all training that may be necessary under the project. Its technicians and experts will either carry out the work directly or will supervise those carrying out the work. In sum, SPC will manage the day to day operations of the project and will keep SPRDO informed of general project status, particularly any problems or concerns that may require SPRDO'S attention. The institutional analysis of SPC provided under the Project Analyses section of this PP assesses SPC's capabilities and concludes that it has the resources and skills to implement this project.

4.2.4 Roles of Other Participants in the Project

The roles of other participants in the project, such as other donors, host governments, local communities, etc., will be outlined in detail in each component proposal that SPC will prepare for SPRDO's consideration. SPC will coordinate all such roles and contributions to the project, and will ascertain that each participant will carry out its assigned role on a timely basis.

4.3 Project Monitoring

#### 4.3.1 Field Visits

SPRDO will monitor project progress through occasional field visits to project areas. Given the dispersion of the island nations of the South Pacific, any SPRDO person visiting an area will normally inspect all AID-financed activities in the area, whether these are the immediate responsibility of the visiting officer or not, and will make a brief field trip report to inform the project manager or managers. This has worked rather effectively on all projects in SPRDO's portfolio. In addition, the project manager will communicate with SPC supervisors and technicians either by cable or phone to obtain information that may be needed for the project manager's reporting needs. In general terms, all activities will be visited by an AID official at least annually.

#### 4.3.2 Reports

SPC will provide the SPRDO project manager with the following reports:

- a. Quarterly budget report;
- b. At least a semi-annual progress report on all components and activities;
- c. Copies of all technical and other reports that may be prepared;
- d. Both financial and management audit reports.

SPC will also prepare special reports on the project as may be required or requested by SPRDO to meet its reporting requirements internally or to AID/W.

#### 4.4 Evaluation Arrangements

The project will be evaluated in two ways, the first will be the evaluation of the different project components and the second the evaluation of the project as a whole. The methodology and frequency of these two types of evaluations are discussed below.

##### 4.4.1 Individual Component Evaluation

SPC will evaluate the individual components of the project utilizing its existing evaluation program and methodology. All components will be evaluated by SPC on an annual basis, unless SPRDO agrees that in a particular situation the annual frequency will serve no useful purpose.

The annual evaluation of each component will use as a departure point baseline data available at the beginning of the project and all previous evaluations conducted on that component. The evaluation will focus on (1) progress toward achievement of component and overall project objectives; (2) identification of problem areas and constraints that may impede such achievement and remedial action to resolve problems and remove constraints; and (3) to the extent possible overall development impact of the particular component. SPC will consult with SPRDO prior to conducting annual evaluations and will incorporate into its evaluation plans any aspect that SPRDO may want to emphasize. SPC will also consult with SPRDO at the completion of each annual evaluation of a component in order for both to determine jointly whether any particular action or mid-course correction in component direction is warranted.

The final evaluation will take place during the last two months of component life and will summarize the accomplishments, constraints, and development impact of the particular component.

#### 4.4.2 Overall Project Evaluation

AID will conduct two overall project evaluations during the life of the project, the first midway in project life and the second at the completion of the project. The first evaluation will be used to make adjustments and mid-course corrections to the project, while the second (final) evaluation will be used to explore the feasibility of a follow-on project and will record lessons learned. These evaluations, using either AID personnel or external professionals, will focus on (1) assessment of planned versus actual project progress; (2) performance of the SPC and its personnel, agents, contractors etc. in implementing the project in terms of relevance, timeliness, quality, and quantity; and (3) assessment of the regional development impact of the project in terms of the economic and social effectiveness, impact on beneficiaries, and overall influence on regional development needs and strategies.

Other overall project evaluations may be conducted by SPRDO as the need may arise and subject to the availability of funds and other resources.

## 5. PROJECT ANALYSES

### 5.1 Technical Analysis

Technical analysis applies to the different project components and not to the project as a whole. In each instance, the proposal prepared by SPC has included and will include in the future a detailed technical plan for sub-project implementation. The technical plan will include appropriate engineering designs and drawings. Each technical plan will illustrate that implementing a particular component is technically feasible.

### 5.2 Economic Analysis

By the time a new component has been accepted for inclusion in the project, it will have been included in SPC's integrated work program. For inclusion in the integrated program, a component activity will have undergone an economic appraisal by the SPC staff. Additionally, the SPC sub-project proposal will include a section dealing with the economic benefits of the proposed component.

Perhaps a brief economic appraisal of the currently active components of the project will illustrate the economic feasibility of SPC's projects. For example, the Tuna and Billfish Assessment program will cost approximately \$2.58 million over the next five years. In addition, \$400,000 of AID funds and \$1.1 million of other donor funds have been spent on the Assessment from 1980 to 1984, or a total cost of \$4.08 million. The SPC estimates that harvestable fisheries resources in the region are worth about \$400 million, and some island countries have sold the rights to fish in their 200 mile fishing zones to Japan's fishing interests for approximately \$15 million. If the Tuna and Billfish Assessment results in the sale of such fishing rights of one country in the region for \$15 million, then the investment of \$4.08 million dollars would be well worth it. In fact, the economic return is expected to be much more with a very high economic rate of return.

The Small-Scale Rural Water Supply and Sanitation project will also yield high health and economic benefits, although traditionally these have been relatively hard to quantify without making complicated assumptions. However, economic development in any community is closely related to its environmental health. A community that is in the long run free from chronic and other debilitating diseases is more

likely to be enterprising and productive. A better and safer water supply and sanitation system results in less sickness and enables people to work more effectively and to be more productive. The availability of water in adequate quantities does not only improve the health conditions of Pacific islanders, but also improves productivity in other sectors. For example, water availability could induce the production of irrigated crops, cattle and other livestock and poultry. It could also lead to the establishment of small agro-industries, bottled drink plants, starch manufacture, and cottage industries. In sum, the water Supply and Sanitation project without doubt has favorable economic returns.

The same can be said of the Health Education Materials and Advisory Services component. The production and distribution of simple health education materials will increase awareness among the island nations of the health benefits of personal hygiene, sanitation, disease prevention, family planning, maternal health and the dangers of smoking and alcohol abuse. It will also stimulate the interest of island governments in initiating and sustaining health education programs.

The Community Education Training Center/Women in Development component will also yield satisfactory economic return. The project will result in a reservoir of women trained in essential community development and expertise in leadership, small business, and similar skills. The value of the education of these women can be quantified by making assumptions regarding their earnings over time. However, the economic case for education projects at all levels have been made in the literature of project analysis, and the CETC/WID is no exception.

It can also be stated with confidence that the new component for workshops, seminars, conferences and meetings will also have a positive economic return since most of these gatherings will be related to SPC projects. As stated earlier, all future components will undergo an appropriate economic appraisal by SPC which will be included in SPC's proposal to SPRDO.

### 5.3 Social Soundness

The South Pacific region shares in one common heritage: rural upbringing and dependence on subsistence agriculture and fisheries. However, the region is undergoing social-cultural changes of traumatic proportions. These changes include:

- migration patterns to urban areas and the resulting high unemployment and underemployment rates, particularly among youth groups;
- exposure to the value of other societies leading to dissatisfaction with subsistence living, the erosion of the traditional value system that has been versed in family and group loyalties, and the increase in demand for imported goods;
- the increased demand for imports is not matched by potential exports since most island production is oriented toward local use and island isolation makes both importing and exporting expensive and time consuming; this in turn has lead to low foreign exchange levels and dependence on foreign aid; and
- population has increased faster than family resources which has led to the separation of wage earners from family in search of urban employment and resulted in marital discord, neglect for children and alcoholism.

To counter these and similar problems island nations must increase the supply of indigenous foodstuffs, must create employment opportunities in both the urban and rural sectors, must develop and enrich village life, and must improve health and education conditions. The SPC-MPS project and its components play a modest role in enabling these island nations to reach some of these goals. The different components of the project will increase the national incomes of these countries through the sale of fishing rights, will increase employment opportunities particularly in fisheries development and processing, will increase foodstuffs particularly fish protein, will improve the health and education status of inhabitants, particularly infants, small children and women.

The role of women in the project is particularly noteworthy. Three of the four active project components, Water Supply, Health Education Materials, and Community Education Training Center, are directed toward improving women's role in the community. As a result of the project, women will be able to spend less time obtaining water. According to SPC, it is not uncommon for women in rural villages to spend several hours a day obtaining and transporting water. With remote water sources, the inclination is to obtain and transport the minimum quantity for drinking and cooking and to neglect bathing and hygienic requirements. There is also the tendency to use closer water sources even though these are contaminated. The provision of a nearby water outlet conserves women's energy,

limits the time needed to obtain an adequate supply of water, and enhances cleanliness and hygiene practices. Women also stand to benefit the most from simple health education materials in easily understood formats. Finally, the CETC project is designed specifically for the education and training of women, not only in enhancing their traditional roles as wives and mothers, but also in becoming full partners in the economic life of their communities.

#### 5.4 Institutional Analysis - South Pacific Commission

##### 5.4.1. Brief History and Evolution

The SPC was founded in 1947 and included six member countries: Australia, France, the Netherlands, New Zealand, the United Kingdom and the United States. It was then a consultative body of the six colonial governments that administered the area. The Netherlands withdrew from the Commission in 1962 after Dutch New Guinea became part of Indonesia as Irian Jaya. However, beginning in 1965 newly independent countries in the region were admitted to membership so that by 1980 eight such countries (Western Samoa, Nauru, Fiji, Papua New Guinea, Solomon Islands, Tuvalu, Niue and Cook Islands) had become members of SPC. SPC has provided assistance to all independent countries and all territories in the region since its establishment in 1947. These territories, though not granted full member status until 1983, had participated in SPC's program planning and evaluation meetings beginning in 1950, in order to make their needs and problems known. These meetings were held once every three years and were referred to as the South Pacific Conference.

In 1967, the South Pacific Conference became an annual meeting. The planning and evaluation meeting convened immediately prior to the annual meeting of the Conference and made recommendations for the Conference's consideration. Beginning in 1974, the two began to meet together in one body to examine and adopt the SPC's work program with each government or territorial administration having the right to send a representative and alternates. By 1983, all territories became equal members of the SPC with equal votes. At present, the SPC has 27 members.

In addition to the five original metropolitan powers and the eight independent island countries admitted by 1980, membership includes American Samoa, Federated States of Micronesia, French Polynesia, Guam, Kiribati, Marshall Islands, New Caledonia, Northern Mariana Islands, Palau, Pitcairn Island (represented by the U.K.), Tokelau, Tonga, Vanuatu and Wallis and Futuna. The SPC has evolved from the consultative body consisting of six metropolitan powers in 1947 to the most important regional technical

assistance organization in the South Pacific with twenty-seven members which enjoy equal status. It has assistance programs in all of its 22 island member countries and territories.

#### 5.4.2 Role and Functions

The SPC defines its role as advisory and consultative. Its objective is to encourage and promote the economic and social welfare and advancement of the people of the Pacific. Its work program is closely coordinated with the recipient members, but it does not attempt to control the development programs of these members nor does it concern itself with politics.

Its functions consist of (1) providing a forum for regional expression of common issues, problems, needs and ideas; (2) serving as a vehicle for regional development; (3) assisting in meeting the basic human needs of the region; (4) fostering the exchange of indigenous products and technology among the islands; (5) assisting in the development of regional resources that are beyond the capability of individual island governments to develop; (6) facilitating out-reach of international and regional aid resources to relatively isolated islands or to those unable to avail themselves of such resources; (7) collecting, disseminating and storing information on the development needs of the region; and (8) undertaking other appropriate activities as determined by the members. Specific areas in which the SPC has been mandated to operate include rural development, youth and community development, food and materials, cultural exchanges, training, the assessment and development of marine resources and research, public health, socio-economic statistical services and education services.

#### 5.4.3 Organizational Structure of the SPC

(1) Executive Arm: The executive arm of the SPC is its permanent secretariat headquartered at Noumea, New Caledonia. The permanent staff is headed by a Secretary General who oversees the day-to-day operations of the SPC. The Secretary General supervises four staff divisions of the secretariat: publications, interpretation/translation services, finance, and administration, each headed by a manager. The Secretary General also supervises one line office, the integrated work program, headed by a Director of Programs. The Director of Programs oversees all regional activities and field programs and supervises the pool of program officers, professional and support staff. The total permanent staff of the SPC numbers 146 people: 103 are based at SPC headquarters in Noumea, 29 are based in

Fiji, and 12 are based in various countries in the region. The remaining two are based in Sydney to oversee the publications Bureau of SPC which publishes a series of technical papers, handbooks, information documents, reports, statistical bulletins and newsletters on various topics.

The professional staff of SPC includes specialists in tropical agriculture and plant protection, fisheries development experts and research scientists, fisheries system managers and statisticians, master fishermen, project officers and advisors, environmental health and food hygiene officers, volunteer water supply technicians, economists, rural technology specialists, youth education specialists, mobile training instructors, women's program development officers, health education officers, dental specialists, epidemiologists, nutritionists, medical technologists, statistical and statistical research officers, demographers, population advisors, data processing specialists, migration and employment specialists, teachers and training officers, broadcast and audio-visual specialists, librarians, publications specialists and interpreters/translators. The level of SPCs staff and its specialties evolve as its work program evolves. An organizational chart of SPC is shown in Annex 7.5.

(2) The Committee of Representatives of Governments and Administrations (CRGA): The work program of the SPC, its budget and its direction is subject to review and recommendation for approval by the CRGA. The CRGA consists of working-level professional representatives of all 27 members of the SPC who meet twice annually to consider and make recommendations regarding future work programs and budget prepared by the Secretary General. The CRGA also evaluates programs completed the previous year. The CRGA meets about four months before, and again immediately prior to, the annual meeting of the South Pacific Conference and it debates and resolves all program, budget and personnel issues and prepares recommendation for the consideration of the Conference. The Suva-based USAID principal officer (RDO) traditionally heads the U.S. delegation to CRGA meetings.

(3) The South Pacific Conference: The Conference is the highest ranking body of the SPC. It considers and adopts SPC policy, work program, budget, direction, personnel and all other matters within SPC's authority. The Conference is attended by government officials at the ministerial level and its meetings have a flavor of diplomatic gatherings. Whereas the CRGA can only recommend, the Conference makes final decisions on all issues. In point of fact, the CRGA effectively determines the program, budget priorities, policies, personnel nominations, etc. during its meetings and the Conference usually rubber-stamps these decisions.

#### 5.4.4 Selection and Implementation of SPC Projects

The portfolio of SPC projects and activities is adopted on the basis of perceived regional needs. The SPC integrated program and budget is a revolving three year plan which is updated and extended on an annual basis. Member countries and development agencies like AID are invited to buy into the program on the basis of their development goals and interests. No voluntary donor may contribute funds on the condition that SPC sponsor or initiate a new activity outside its integrated work program. Of course, member countries do have an input in the development of the work program through their participation in CRGA and in South Pacific Conference meetings. But the resulting basket of projects is designed to address the needs of member recipient countries.

The current project portfolio, as approved by CRGA in May 1985, includes discrete projects in food and agriculture (food crops diversification, coconut development, plant protection, pesticide training and information etc.); in marine resources (deep sea fisheries development, fish handling and processing, fish poisoning, tuna and billfish assessment program, etc); in rural management and technology (South Pacific regional environmental programs, rural water supply and sanitation, survey of environmental health parameters, training courses in food hygiene and meat inspection, rural employment and development, etc.); in community services (community education training center, community education resource materials, mobile training unit for youth and community workers, Pacific women's resource bureau, Pacific pre-school development program, health education materials, women and child health and nutrition preservation and control, etc.); in socio-economic statistics (development of national accounts statistics, training courses in project analysis and evaluation and in farm management and economics, technical assistance in demography and census and population statistics, migration and employment and development, etc.); and in education services (English language training, radio broadcasting and magazine production, regional media center, etc.). Although the portfolio includes other activities, conferences, workshops, etc., the above is an illustrative listing of projects that could be candidates for AID financing.

The implementation of SPC projects is carried out by the Director of Programs, his deputy and staff. Specialists are assigned to the different projects as needed, where they oversee project implementation and monitor progress.

#### 5.4.5 Conclusion

Based on the foregoing analysis, it can be stated with confidence that the SPC has the experience, capability, resources and orientation to implement this project. The role that it will play in the project will result in significant savings of direct hire effort to SPRDO and to AID in general.

#### 5.5 Environmental Analysis

The threshold decision based on the initial environmental examination (IEE) for this project is a negative determination. The project does not have significant, foreseeable effect on the environment of the countries of the South Pacific. Therefore, no further environmental treatment, in the form of an environmental assessment is required.

However, all future components to be funded under the project will be reviewed and cleared by the SPRDO environmental officer. The component proposal that SPC will prepare for SPRDO's consideration will include an environmental appraisal. When appropriate, environmental protection measures will be built into the design and implementation of these components.

### 6. CONDITIONS, COVENANTS, AND NEGOTIATING STATUS

#### 6.1 Conditions Precedent to Disbursement

Prior to the disbursement under the project for the purposes of financing an individual construction activity, SPC will, unless AID otherwise agrees in writing, furnish to SPRDO in form and substance satisfactory to SPRDO, final construction plans for this activity.

#### 6.2 Covenants

Except as SPRDO may agree in writing, SPC covenants that:

- (1) No funds provided under this project will be used for project activities in U.S. territories: Guam, American Samoa, or the Trust Territory of the Pacific Islands;
- (2) No funds provided under the project will be used for activities benefiting any South Pacific area which is under the administration of another government or which is not fully independent;
- (3) That training which takes place in SPC member countries will be undertaken in accordance with the local

- training rules set forth in Chapter 6 of Handbook 10;
- (4) To maintain project financial records, including documentation to support entries on accounting records to substantiate charges against the project, in accordance with SPC's usual accounting procedures, which shall follow generally accepted accounting practices, for a period of at least three years after the final disbursement of funds under the project;
- (5) To make the project subject to an independent audit by SPC's outside certified or chartered public accountant and furnish copies of such audit reports to AID, along with information that may be requested by AID with respect to audit questions or recommendations; and
- (6) return to AID any interest that may accrue to SPC on AID funds advanced to it or to any person or organization to whom SPC makes such funds available in carrying out the project.

### 6.3 Negotiating Status

SPC is aware of SPRDO's effort to amalgamate the four active grants to SPC that AID is funding into one project, and has indicated its enthusiasm for the flexibility the resulting project will provide SPRDO and SPC in implementing the project. It is anticipated that a project agreement could be negotiated and signed immediately upon the authorization of the Project. Upon receipt of the PID approval cable and redelegation of authority to the RDO to approve the PP and authorize funds, SPRDO will draft the Grant Agreement.

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INFO RUEHML/AMEMBASSY MANILA 2851  
BT  
UNCLAS STATE 256034

ANNEX 7.1

AIDAC MANILA FOR RLA AND CONTROLLER

15:13

E.O. 12356: N/A

TAGS:

SUBJECT: SOUTH PACIFIC COMMISSION MULTIPROJECT SUPPORT PROJECT (879-0006) - PID APPROVAL AND REDELEGATION OF AUTHORITY TO AUTHORIZE THE PROJECT

REFERENCE: SUVA 2507

1. THE ASSISTANT ADMINISTRATOR, BUREAU FOR ASI AND THE NEAR EAST (AA/ANE) APPROVES THE PROJECT IDENTIFICATION DOCUMENT (PID) FOR THE SOUTH PACIFIC COMMISSION MULTIPROJECT SUPPORT PROJECT (SPC-MPS) AND HEREBY REDELEGATES AUTHORITY TO THE SOUTH PACIFIC REGIONAL DEVELOPMENT OFFICER (SPRDO) TO APPROVE THE PROJECT PAPER (PP) AND AUTHORIZE THE SPC-MPS PROJECT SUBJECT TO THE CONCURRENCE OF THE REGIONAL LEGAL ADVISER (RLA/MANILA) RE FORM AND SUBSTANCE OF AUTHORIZATION. THE FOLLOWING IS GUIDANCE FOR PP PREPARATION.

2. YOU SHOULD SELECT AND APPROVE SUB-PROJECTS (COMPONENTS) FOR SPC-MPS SUPPORT UNDER THE CRITERIA IN THE PID (PARA 4 REFTEL). YOUR AFS SHOULD ADVISE US EACH YEAR OF THE SUB-PROJECTS FOR FUNDING UNDER SPC-MPS IN THE NEXT YEAR AND UPDATE BUDGET PROJECTIONS FOR THE REMAINDER OF THE SPC-MPS PROJECT.

3. ALTHOUGH THE PID AND SPC PROCEDURES CLEARLY DISTINGUISH \*CORE SUPPORT\* FROM \*EXTRA-BUDGETARY\* OR PROJECT ITEMS, THE PP (AND THE PROJECT AGREEMENT ONCE THAT STAGE IS REACHED) SHOULD EXPLICITLY STATE THAT WE CANNOT USE DA PROJECT FUNDS TO SUPPLEMENT REGULAR USG CONTRIBUTIONS FROM SPECIFIC APPROPRIATIONS FOR THE GENERAL SPC BUDGET. IN ADDITION, SUB-PROJECT DESIGNS SHOULD BE GUIDED BY AGENCY POLICY ON RECURRENT COSTS WHICH ENCOURAGES LOCAL CONTRIBUTIONS TO MAINTENANCE OF INFRASTRUCTURE (E.G., POTABLE WATER) AND OTHER EFFORTS TO MAKE SUB-PROJECTS SELF-SUFFICIENT.

4. THE PID BUDGET DOES NOT MENTION EVALUATION AS A SEPARATE ITEM. PROVISION FOR EVALUATION SHOULD BE MADE UNDER EACH SUB-PROJECT, BUT THE PP SHOULD ALSO PROVIDE FOR THE OVERALL SPC-MPS EVALUATION IN TIME TO DECIDE WHETHER SPC-MPS SHOULD BE CONTINUED/TERMINATED AFTER THE APPROVED FIVE-YEAR PERIOD (AN OVERALL EVALUATION IN YEAR FOUR WOULD SERVE THIS PURPOSE). THE PP BUDGET SHOULD FUND THIS EVALUATION AND ANY NOT COVERED BY SUB-PROJECT AGREEMENTS. THE PP EVALUATION PLAN SHOULD INCLUDE EVALUATION OF THE MANAGEMENT AND WORKLOAD IMPACT ON YOUR AND SPC'S OPERATIONS OF THE SPC-MPS APPROACH AGAINST TREATING EACH SUB-PROJECT AS A SEPARATE UNIT OF MANAGEMENT. WE ALSO SUGGEST THE PP ALSO PROVIDE THAT THE \*WORKSHOPS, SEMINARS, ETC.\* BUDGET ITEM OR THE CONTINGENCY ITEM BE AVAILABLE FOR OVERALL TA NOT COVERED BY SPECIFIC SUB-PROJECTS AND FOR NEW SUB-PROJECT DESIGN.

5. THE PID DID NOT MENTION GRAY AMENDMENT CONCERNS. THE PP AND AGREEMENTS WITH SPC SHOULD PROVIDE THAT, WHEN POSSIBLE, PROCUREMENT FROM GRAY AMENDMENT SOURCES WILL BE PURSUED UNDER THE SPC-MPS AND SUB-PROJECTS.

6. ANE BUREAU ENVIRONMENTAL COORDINATOR HAS CONCURRED IN A NEGATIVE DETERMINATION ENVIRONMENTAL THRESHOLD DECISION (PARA 7 F REFTEL). THE PP SHOULD NOTE THAT ANY ADDITIONAL SUB-PROJECTS WILL BE FORMALLY REVIEWED AND CLEARED BY THE SPRDO ENVIRONMENTAL OFFICER. YOU SHOULD SEND COPIES OF THESE CLEARANCES TO ANE/PD/ENV AS PART OF THE PERMANENT PROJECT FILES.

7. PLEASE SEND REPRODUCIBLE COPY OF PP AND AUTHORIZATION TO ANE/ASIA/PD, ROOM 3318 NS WHEN SIGNED.

8. UPON APPROVAL, NEGOTIATION OF PROJECT AGREEMENT MIGHT WELL REQUIRE SERVICES OF B. MILLER, RLA IN

AID  
N/B  
DCM  
CHRON

|        |       |
|--------|-------|
| RDO    | ..... |
| ARDO   | ..... |
| AGR/RD | ..... |
| B & F  | ..... |
| HPN    | ..... |
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| TNG    | ..... |
| FILE   | ..... |

**PROJECT DESIGN SUMMARY**  
**LOGICAL FRAMEWORK**

ANNEX 7.2

Life of Project:  
From FY 85 to FY 89  
Total U.S. Funding \$2,500,000  
Date Prepared August 1985

Project Title & Number: South Pacific Commission Multi-Project Support Project (879-0006)

| <u>NARRATIVE SUMMARY<br/>PROGRAM OR SECTOR GOAL</u>   | <u>OBJECTIVELY VERIFIABLE IND.<br/>MEASURE OF GOAL ACHIEVEMENT</u>  | <u>MEANS OF VERIFICATION</u>   | <u>IMPORTANT ASSUMPTIONS<br/>ASSUMPTIONS FOR ACHIEVING GOAL<br/>TARGETS</u>  |   |       |                            |     |                       |       |       |          |  |  |
|---|---|--|--|---|-------|----------------------------|-----|-----------------------|-------|-------|----------|--|--|
| <p>To support South Pacific regionalism, and cooperative self-help among island nations in raising their individual and combined standards of living.</p>   | <ol style="list-style-type: none"> <li>1. Increased access to training and reduced rates of unemployment and underemployment.</li> <li>2. Increased use of U.S. technology and concepts in solving South Pacific development problems.</li> <li>3. Continued strengthening of the South Pacific Commission as an islander institution, run by islanders, for regional and national development.</li> <li>4. Increased levels of national income (output) accompanied by more equitable distribution of income.</li> </ol>   | <ol style="list-style-type: none"> <li>1. National income, production and other data produced by national governments, the IBRD, the ADB, and the SPC statistical section.</li> <li>2. Trends in SPC Three-Year Integrated Work Program and Budget.</li> <li>3. Ad hoc studies published by University of the South Pacific (USP), South Pacific Bureau for Economic Cooperation (SPEC), the SPC, and the Forum Fisheries Agency.</li> </ol> | <ol style="list-style-type: none"> <li>1. That objectives and priorities of both public and private island nation sectors are reasonably reflected in national development plans and the SPC Work Program.</li> <li>2. That the South Pacific region, its component governments and communities perceive the future as changeable, and accept primary responsibility for creating that change.</li> <li>3. That South Pacific regional organizations and governments help ensure that individuals and communities have reasonably equitable access to public resources to assist that change.</li> </ol> |   |       |                            |     |                       |       |       |          |  |  |
| <u>PROJECT PURPOSE</u>  | <u>END OF PROJECT STATUS</u>  | <u>ASSUMPTIONS FOR ACHIEVING<br/>PURPOSE</u>   | <u>ASSUMPTIONS FOR ACHIEVING<br/>PURPOSE</u>   |   |       |                            |     |                       |       |       |          |  |  |
| <p>To help the SPC improve the quality of life for South Pacific islanders, primarily through several project activities in agriculture/fisheries, health, training and development administration.</p>   | <ol style="list-style-type: none"> <li>1. Improved quantitative assessment, exploitation and development of regional marine and agricultural resources.</li> <li>2. Increasing numbers of islanders replacing expatriates in managerial and technical positions.</li> <li>3. Increased access to potable water and sanitation facilities, and improved levels of personal health education and practices.</li> <li>4. Improved balances of trade in island national accounts.</li> </ol>  | <ol style="list-style-type: none"> <li>1. Baseline data surveys conducted prior to SPC-MP3 sub-project implementation and analysis of changes in the base over sub-project life.</li> <li>2. SPC sub-project reports; data from SPC on their projects financed with non-AID core budget or extra-budgetary funds.</li> <li>3. Assessment of the quality and content of SPC project proposals and management/financial reports.</li> </ol>    | <ol style="list-style-type: none"> <li>1. That SPRDO strategy priorities continue to coincide with strategy priorities of island governments and the SPC.</li> <li>2. That regionalism remains both an SPRDO and a South Pacific accepted method of operation.</li> <li>3. That both SPRDO and the SPC continue a policy of advocating and assisting increased and effective impact analysis.</li> <li>4. That the donor community maintains and pursues the objective of replacing expatriate managers and technicians with qualified islanders.</li> </ol>   |   |       |                            |     |                       |       |       |          |  |  |
| <u>OUTPUTS</u>  | <u>MAGNITUDE OF OUTPUTS</u>   | <u>ASSUMPTIONS FOR ACHIEVING OUTPUTS</u>   | <u>ASSUMPTIONS FOR ACHIEVING OUTPUTS</u>   |   |       |                            |     |                       |       |       |          |  |  |
| <ol style="list-style-type: none"> <li>1. Numbers of sub-projects financed under the SPC-MPS.</li> <li>2. Numbers of non-project activities (e.g. workshops and conferences, technical assistance).</li> <li>3. Numbers of islanders directly and indirectly benefitting from sub-projects and activities.</li> </ol> | <p>Will depend on number and nature of individual sub-projects. Anticipate 4 to 6 major sub-projects and several project-support activities (e.g. workshops), primarily benefiting rural and urban islanders in the ten island countries served by the AID South Pacific Regional Development Office (SPRDO).</p>   | <ol style="list-style-type: none"> <li>1. Reports by SPRDO on overall project progress.</li> <li>2. SPC periodic program/financial status reports on each sub-project or grant activity.</li> <li>3. On-site evaluations by SPC, island governments, and SPRDO staff.</li> <li>4. Periodic SPC-arranged audits of its programs, to include SPRDO-supported sub-projects</li> </ol>   | <ol style="list-style-type: none"> <li>1. That the SPC maintains active collaboration with the USG in regional development and that it maintains adequate managerial and financial capability to do so.</li> <li>2. That the USG/AID maintains its policy of support to the South Pacific region, and the development work of the SPC.</li> <li>3. That realistic sub-project targets and implementation schedules are identified by the SPC and approved by SPRDO.</li> </ol>   |   |       |                            |     |                       |       |       |          |  |  |
| <u>INPUTS</u>   | <u>IMPLEMENTATION TARGET<br/>(TYPE/QUANTITY) FY 85-89 (\$ 000)</u>  | <u>ASSUMPTIONS FOR PROVIDING<br/>INPUTS</u>  | <u>ASSUMPTIONS FOR PROVIDING<br/>INPUTS</u>  |   |       |                            |     |                       |       |       |          |  |  |
| <ol style="list-style-type: none"> <li>1. Equipment, supplies, transportation.</li> <li>2. Services, administrative expenses.</li> <li>3. Training, workshops, conferences.</li> <li>4. Travel, per-diem, U.S. technical services.</li> <li>5. Other local inputs, in-kind and financial.</li> </ol>                  | <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">1. SPRDO (21%)</td> <td style="width: 50%; text-align: right;">\$ 2,500</td> </tr> <tr> <td>2. South Pacific Commission (SPC) (17%)</td> <td style="text-align: right;">2,080</td> </tr> <tr> <td>3. Island Governments (3%)</td> <td style="text-align: right;">360</td> </tr> <tr> <td>4. Other donors (59%)</td> <td style="text-align: right;">7,060</td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: right;">\$12,000</td> </tr> </table> | 1. SPRDO (21%)   | \$ 2,500   | 2. South Pacific Commission (SPC) (17%) | 2,080 | 3. Island Governments (3%) | 360 | 4. Other donors (59%) | 7,060 | Total | \$12,000 | <ol style="list-style-type: none"> <li>1. sub-project and activity proposals, and grant agreements signed.</li> <li>2. SPC financial, statistical and narrative progress reports.</li> <li>3. SPC annually revised three-year Integrated Work Program and Budget.</li> </ol> | <ol style="list-style-type: none"> <li>1. That SPRDO receives, and is able to program, annual congressional appropriations for SPC extra-budgetary development programs.</li> <li>2. That the SPC and SPRDO maintain agreement to share project costs in a collaborative, self-help spirit.</li> <li>3. That the SPC and SPRDO are able to prepare and concur in sub-projects for appropriate hearing and discussion during periodic meetings of the CRGA and the South Pacific Conference.</li> </ol> |
| 1. SPRDO (21%)  | \$ 2,500  |  |  |   |       |                            |     |                       |       |       |          |  |  |
| 2. South Pacific Commission (SPC) (17%)   | 2,080   |  |  |   |       |                            |     |                       |       |       |          |  |  |
| 3. Island Governments (3%)  | 360   |  |  |   |       |                            |     |                       |       |       |          |  |  |
| 4. Other donors (59%)   | 7,060   |  |  |   |       |                            |     |                       |       |       |          |  |  |
| Total   | \$12,000  |  |  |   |       |                            |     |                       |       |       |          |  |  |

COUNTRY CHECKLIST

A. GENERAL CRITERIA FOR COUNTRY  
ELIGIBILITY

1. FAA Sec. 116. Has the Department of State determined that this government has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, can it be demonstrated that contemplated assistance will directly benefit the needy?  
N/A. This is a regional project with an international organization.
2. FAA Sec. 113. Has particular attention been given those programs, projects, and activities which tend to integrate women into the national economies of developing countries, thus improving their status and assisting the total development effort?  
Yes. This project particularly focuses on training women and integrating them into the national economies of their countries.
3. FAA Sec. 481. Has it been determined that the government of the recipient country has failed to take adequate steps to prevent narcotics drugs and other controlled substances (as defined by the Comprehensive Drug Abuse Prevention and Control Act of 1970) produced or processed, in whole or in part, in such country, or transported in such country, or transported through such country, from being sold illegally within the jurisdiction of such country to U.S. Government personnel or their dependents, or from entering the U.S. unlawfully?  
N/A

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4. FAA Sec. 620(b). If assistance is to a government, has the Secretary of State determined that it is not dominated or controlled by the international Communist movement? N/A.
5. FAA Sec. 620(c). If assistance is to a government, is the government liable as debtor or unconditional guarantor on any debt to a U.S. citizen for goods or services furnished or ordered where (a) such citizen has exhausted available legal remedies; and (b) the debt is not denied or contested by such government? N/A.
6. FAA Sec. 620(e) (1). If assistance is to a government, has it (including government agencies or subdivisions) taken any action which has the effect of nationalizing, expropriating, or otherwise seizing ownership or control of property of U.S. citizens or entities beneficially owned by them without taking steps to discharge its obligations toward such citizens or entities? N/A.
7. FAA Sec. 620(a), 620(f), 620D; 81 App Act. Secs. 512 and 513; ISDCA of 1980 Secs. 717 and 721. Is recipient country a Communist country? Will assistance be provided to Angola, Cambodia, Cuba, Laos or Vietnam? (Food and humanitarian assistance distributed directly to the people of Cambodia are excepted). Will assistance be provided to Afghanistan or Mozambique without a waiver? Are funds for El Salvador to be used for planning for compensation or for the purpose of compensation, for the confiscation No.

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nationalization, acquisition or expropriation of any agricultural or banking enterprise, or property or stock thereof?

8. FAA Sec. 620(i). Is recipient country in any way involved in (a) subversion of, or military aggression against, the United States or any country receiving U.S. assistance, or (b) the planning of such subversion or aggression? N/A.
9. FAA Sec. 620(j). Has the country permitted, or failed to take adequate measures to prevent the damage or destruction, by mob action, of U.S. property? N/A.
10. FAA Sec. 620(k). Does the program furnish assistance in excess of \$100,000,000 for the construction of a productive enterprise, except for productive enterprises in Egypt that were described in the Congressional Presentation materials for FY 1977, FY 1980 or FY 1981? No.
11. FAA Sec. 620(l). If the country has failed to institute the investment guarantee program for the specific risks of expropriation, inconvertibility or confiscation, has the AID Administrator within the past year considered denying assistance to such government for this reason? N/A.
12. FAA Sec. 620(m). Is the country an economically developed nation capable of sustaining its own defense burden and economic growth and, if so, does it meet any of the exceptions to FAA Section 620(m)? N/A.

13. FAA Sec. 620(o); Fishermen's Protective Act of 1967, as amended, Sec. 5. If country has seized, or imposed any penalty or sanction against, any U.S. fishing activities in international waters,
- a. has any deduction required by the Fishermen's Protective Act been made? None Required
- b. has complete denial of assistance been considered by AID Administrator? Yes
14. FAA Sec. 620(q); 81 App. Act. Sec. 517. N/A.
- (a) Is the government of the recipient country in default for more than six months on interest or principal of any AID loan to the country?
- (b) Is the country in default exceeding one year on interest or principal on any U.S. loan under a program for which the Continuing Resolution appropriates funds?
15. FAA Sec. 620(s). If contemplated assistance is development loan or from Economic Support Fund, has the Administrator taken into account the percentage of the country's budget which is for military expenditures, the amount of foreign exchange spent on military equipment and the amount spent for the purchase of sophisticated weapons systems? (An affirmative answer may refer to the record of the annual "Taking Into Consideration" memo: "Yes, taken into account by the Administrator at time of approval of Agency OYB." This approval N/A.

- by the Administrator of the Operational Year Budget can be the basis for an affirmative answer during the fiscal year unless significant changes in circumstances occur.)
16. FAA Sec. 620(t). Has the country severed diplomatic relations with the United States? If so, have they been resumed and have new bilateral assistance agreements been negotiated and entered into since such resumption? N/A.
17. FAA Sec. 620(u). What is the payment status of the country's U.N. obligations? If the country is in arrears, were such arrearages taken into account by the AID Administrator in determining the current AID Operational Year Budget? N/A.
18. FAA Sec. 620A; 81 App. Act Sec. 520. Has the country aided or abetted, by granting sanctuary from prosecution to, any individual or group which has committed an act of international terrorism? Has the country aided or abetted, by granting sanctuary from prosecution to, any individual or group which has committed a war crime? N/A.
19. FAA Sec. 666. Does the country object, on basis of race, religion, national origin or sex, to the presence of any officer or employee of the U.S. there is to carry out economic development program under FAA? NO.

20. FAA Sec. 669, 670. Has the country, after August 3, 1977, delivered or received nuclear enrichment or reprocessing equipment, materials, or technology, without specified arrangements or safeguards? Has it detonated a nuclear device after August 3, 1977, although not a "nuclear-weapon State" under the nonproliferation treaty?
- N/A.

B. FUNDING SOURCE CRITERIA FOR COUNTRY ELIGIBILITY

Development Assistance Country Criteria.

- a. FAA Sec. 102(b)(4). Have criteria been established and taken into account to assess commitment progress of country in effectively involving the poor in development, on such indexes as: (1) increase in agricultural, (2) reduced infant mortality, (3) control of population growth, (4) equality of income distribution, (5) reincome distribution, (5) reduction of unemployment, and (6) increased literacy?
- N/A. This is a regional project to an international organization.
- b. FAA Sec. 104(d)(1). If appropriate, is this development (including Sahel) activity designed to build motivation for smaller families through modification of economic and social conditions supportive of the desire for large families in programs such as education in and out of school, nutrition, disease control, maternal and child health services, agricultural production, rural development, assistance to urban poor and through community development programs which give recognition to people motivated to limit the size of their families?
- Yes. Health education materials and training address concerns.

PROJECT CHECKLIST

A. GENERAL CRITERIA FOR PROJECT

1. 81 App. Act. Unnumbered; Sec. 653(b).  
(a) Describe how authorizing and appropriations Committees of Senate and House have been or will be notified concerning the project; (b) is assistance within (Operational Year Budget) country or international organization allocation reported to Congress (or not more than \$1 million over that amount)?  
(a) FY1985 Congressional notification with data page.  
(b) Yes.
2. FAA Sec. 611(a)(1). Prior to obligation in excess of \$100,000, will there be (a) engineering, financial other plans necessary to carry out the assistance and (b) a reasonably firm estimate of the cost to the U.S. of the assistance? YES
3. FAA Sec. 611(a)(2). If further legislative action is required within recipient country, what is basis for reasonable expectation that such action will be completed in time to permit orderly accomplishment of purpose of the assistance? N/A
4. FAA Sec. 611(b); 81 App. Act. Sec. 501. If for water or water-related land resource construction, has project met the standards and criteria as set forth in the Principles and Standards for Planning Water and Related Land Resources, dated October 25, 1973? N/A

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5. FAA Sec. 611(e). If project is capital assistance (e.g., construction), and all U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability effectively to maintain and utilize the project? N/A
6. FAA Sec. 209. Is project susceptible of execution as part of regional or multilateral project? If so, why is project not so executed? Information and conclusion whether assistance will encourage regional development programs. Yes. It is a regional project.
7. FAA Sec. 601(a). Information and conclusions whether project will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; and (c) encourage development and use of unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions. N/A. This is a small regional project
8. FAA Sec. 601(b). Information and conclusion on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprises). N/A. This is a small regional project.

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9. FAA Sec. 612(b); Sec. 636(h);  
Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars. N/A.
10. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release? No excess currency country involved in this program
11. FAA Sec. 601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? Yes.
12. App. Act. Sec. 521. If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity? N/A.

B. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria.

- a. FAA Sec. 102(b); 111; 113; 28(a). Extent to which activity will (a) effectively involve the poor in development, by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (b) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries?

Yes. This is a small, regional project to an international organization which, through its components, involves the participation of the poor, supports self-help efforts; promotes the participation of women and, by its nature, is a regional cooperation project.

- b. FAA Sec. 103, 103A, 104, 105, 106, 107. Is assistance being made available: (include only applicable paragraph which corresponds to source of funds used. If more than one fund source is used for project, include relevant paragraph for each fund source).

- (1) (104) for population planning under Sec. 104(b) or health under Sec. 104(c); if so, (i) extent to which activity emphasizes low-cost, integrated delivery systems for health, nutrition and family planning for the poorest people, with particular attention to the needs of mothers and young children, using paramedical and auxiliary medical personnel, clinics and health posts, commercial distribution systems and other modes of community research. Yes.
- c. (107) Is appropriate effort placed on use of appropriate technology? (relatively smaller, cost-saving, labor using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor). Yes.
- d. FAA Sec. 110(a). Will the recipient country provide at least 25% of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or has the latter cost-sharing requirement been waived for a "relatively least developed" country)? Yes. Other sources of funding will account for nearly 80% of all costs.
- e. FAA Sec. 110(b). Will grant capital assistance be disbursed for project over more than 3 years? If so, has justification satisfactory to Congress been made, and efforts for other financing, or is the recipient country "relatively least developed"? Yes
- f. FAA Sec. 281(b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civil education and training in skills required for effective participation in governmental processes essential to self-government. N/A.
- g. FAA Sec. 122(b). Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth? Yes.
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STANDARD ITEM CHECKLIST

A. Procurement.

1. FAA Sec. 602. Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and services financed? Such arrangements are impractical in this Project.
2. FAA Sec. 604(a). Will all procurement be from the U.S. except as otherwise determined by the President or under delegation from him? Yes.
3. FAA Sec. 604(d). If the cooperating country discriminates against U.S. marine insurance companies, will commodities be insured in the United States against marine risk with a company or companies authorized to do a marine insurance business in the U.S.? Yes.
4. FAA Sec. 604(e); ISDCA of 1980 Sec. 705(a). If offshore procurement of agricultural commodity or product is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not be reasonably procured in U.S.) N/A.
5. FAA Sec. 603. Is the shipping excluded from compliance with requirement in Section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 per centum of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners and tankers) financed shall be transported on privately-owned U.S.-flag commercial vessels to the extent that such vessels are available at fair and reasonable rates? Yes.

- FAA Sec. 621. If technical assistance is financed, to the fullest extent practicable will such assistance, goods and professional and other services from private enterprise, be furnished on a contract basis? If the facilities of other Federal agencies will be utilized, are they particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs? Yes.  
N/A.
7. International Air Transport. Fair Competitive Practices Act, 1974. If air transportation of persons or property is financed on grant basis, will provision be made that U.S.--flag carriers will be utilized to the extent such service is available? Yes.
8. 81 App. Act. Sec. 504. If the U.S. Government is a party to a contract for procurement, does the contract contain a provision authorizing termination of such contract for the convenience of the United States? Yes.
- B. Construction. Construction activities under the project will be of such small magnitude, using self-help methods so as not to be of interest to U.S. firms.
1. FAA Sec. 601(d). If a capital (e.g., construction) project, are engineering and professional services of U.S. firms and their affiliates to be used to the maximum extent consistent with the national interest? N/A.
2. FAA Sec. 611(c). If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable? N/A.
3. FAA Sec. 620(k). If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed \$100 million? N/A.
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C. Other Restrictions.

1. FAA Sec. 122(b). If development loan, is interest rate at least 2% per annum during grace period and at least 3% per annum thereafter? N/A.
  
2. FAA Sec. 301(d). If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights? YES
  
3. FAA Sec. 620(h). Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries? Yes.
  
4. Will arrangements preclude use of financing:
  - a. FAA Sec. 104(f). To pay for performance of abortions as a method of family planning or to, motivate or coerce persons to practice abortions; to pay for performance of involuntary sterilization as a method of family planning, or to coerce or provide financial incentive to any person to undergo sterilization? Yes.
  
  - b. FAA Sec. 620(g). To compensate owners for expropriated nationalized property? Yes.

- c. FAA Sec. 636(i). For purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained. Yes.
- d. FAA Sec. 660. To provide training or advice or provide any financial support for police, prisons, or other law enforcement forces, except for narcotics programs? Yes.
- e. FAA Sec. 662. For CIA activities? Yes.
- f. 81 App. Act. Sec. 503. To pay pensions, annuities retirement pay, or adjusted service compensation for military personnel? Yes.
- g. 81 App. Act. Sec. 505. To pay U.S. assessments, arrearages or dues. Yes.
- h. 81 App. Act. Sec. 506. To carry out provisions of FAA Section 209 (d) (Transfer of FAA funds to multi-lateral organizations for lending.) Yes.
- i. 81 App. Act. Sec. 510. To finance the export of nuclear equipment fuel, or technology or to train foreign nationals in nuclear fields? Yes.
- j. 81 App. Act. Sec. 511. Will assistance be provided for the purpose of aiding the efforts of the

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government of such country  
to repress the legitimate  
rights of the population of  
such country contrary to  
the Universal Declaration  
of Human Rights?

No.

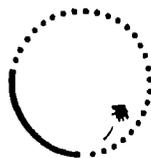
k. 81 App. Act. Sec. 515.  
To be used for publicity  
or propaganda purposes  
within U.S. not author-  
ized by Congress?

Yes.

CABLE ADDRESS  
" SOUTH PACOM " NOUMEA  
TELEPHONE : 26.20.00  
TELEX : SOPACOM 139 NM

ADRESSE TELEGRAPHIQUE :  
" SOUTH PACOM " NOUMEA  
TELEPHONE : 26.20.00  
TELEX : SOPACOM 139 NM

SOUTH PACIFIC COMMISSION  
POST BOX D5  
NOUMEA CEDEX  
NEW CALEDONIA



COMMISSION DU PACIFIQUE SUD  
BOITE POSTALE D5  
NOUMEA CEDEX  
NOUVELLE-CALEDONIE

*In reply, please quote*      ORG 124/1

PLEASE ADDRESS REPLY TO  
THE SECRETARY-GENERAL

30 August 1985

Mr. Louis H. Kuhn  
Acting Regional Development Officer  
United States Agency for International  
Development (USAID)  
South Pacific Regional Development Office  
American Embassy  
SUVA - FIJI

Dear Mr. Kuhn,

Thank you for your letter of 19 August 1985 informing me that USAID is now prepared to move forward with the new "SPC Multi-Project Support Grant" (SPC/MPS Grant) arrangement in order to consolidate USAID assistance to this Commission's development programme into a single grant instrument.

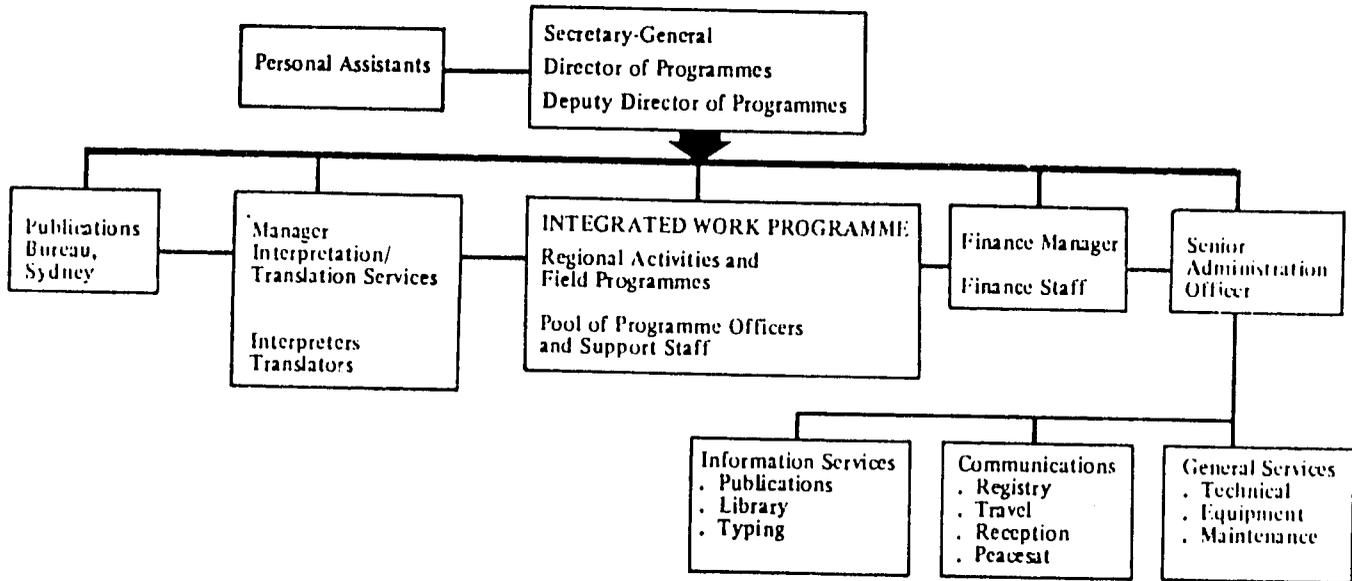
I wish to confirm this Commission's keenness to finalise the details of such an instrument as a means of expediting and simplifying the steps that are currently applied towards USAID grants for SPC activities. In pursuance of this objective, my Director of Programmes, Mr. Tamarii Pierre, will meet with you in Suva next week.

I look forward to concluding the necessary documentation to bring into effect the new SPC/MPS Grant in the near future.

Yours sincerely,

Francis Bugotu,  
Secretary-General

SOUTH PACIFIC COMMISSION  
ORGANIZATION CHART



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