

Annual Budget Submission

FY 1988

YEMEN

BEST AVAILABLE



June 1986

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

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PREPARED BY THE A.I.D. FIELD MISSION.**

**IT IS PREPARED ANNUALLY AND USED
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USAID/YEMEN

FY 1988 ANNUAL BUDGET SUBMISSION

Table of Contents

	<u>Page</u>
Table I - Long Range Plan by Appropriation Account: FY 1986-1992	1
Table IV - Project Budget Data: FY 1985-1988	2
Table V - Proposed Project Ranking: FY 1988	5
- Local Currency Use Narrative	6
Table VI - Expenditures of Local Currency Generations	8
Operating Expense Narrative	9
Table VIII - Operating Expense Summary FY 1986	11
Table VIII - Operating Expense Summary FY 1987	13
Table VIII - Operating Expense Summary FY 1988	15
Table VIII (a) - Information on U.S. PSC Costs	16
Table VIII (b) - All Other Code 25 Detail: FY 1985-1987	17
- Information Technology Narrative	18
Table VIII (c) - Obligations for Acquisition, Operation and Use of Information Technology Systems	21
Table IX - Title I PL 480 Requirements	24
- Privatization Plan Narrative	25

FY 1988 ANNUAL BUDGET SUBMISSION
 TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT (\$000)^{a/}

279 YEMEN ARAB REPUBLIC

	FY 1985	FY 1986	--FY 1987--		FY 1988	----- PLANNING PERIOD -----				
	ACTUAL	ESTIMATE	CP	ESTIMATE	AAPL	1989	1990	1991	1992	
AGRICULTURE, RURAL DEV. AND NUTRITION										
TOTAL	12070	11550	11500	11500	11500	11000	10500	11250	13300	
GRANTS	12070	11500	11500	11500	11500	11000	10500	11250	13300	
LOANS	---	---	---	---	---	---	---	---	---	
EDUCATION AND HUMAN RESOURCES										
TOTAL	9839	7500	10070	10070	10100	11750	12000	12250	9700	
GRANTS	9839	7500	10070	10070	10100	11750	12000	12250	9700	
LOANS	---	---	---	---	---	---	---	---	---	
HEALTH										
TOTAL	5500	3950	4430	4430	4400	4250	4500	4500	5000	
GRANTS	5500	3950	4430	4430	4400	4250	4500	4500	5000	
LOANS	---	---	---	---	---	---	---	---	---	
SELECTED DEVELOPMENT ACTIVITIES ^{b/}										
TOTAL	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	
GRANTS	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	
LOANS	---	---	---	---	---	---	---	---	---	
SUBTOTAL FUNCTIONAL ACCOUNTS										
TOTAL	27409	23000	26000	26000	26000	27000	27000	28000	28000	
GRANTS	27409	23000	26000	26000	26000	27000	27000	28000	28000	
LOANS	---	---	---	---	---	---	---	---	---	
TOTAL DA ACCOUNT										
TOTAL	27409	23000	26000	26000	26000	27000	27000	28000	28000	
GRANTS	27409	23000	26000	26000	26000	27000	27000	28000	28000	
LOANS	---	---	---	---	---	---	---	---	---	

P.L. 480

TITLE I (12000) (10000) (5000) (5000) (5000) (5000) (5000) (5000) (5000)

a/ Accounts inapplicable to Yemen have been omitted (i.e., International Disaster Assistance, Economic Support Fund, and housing Guarantees).

b/ Regional Funds for Small Project Assistance Program.

FY 1988 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

BUREAU FOR ASIA AND NEAR EAST

279 - YEMEN ARAB REPUBLIC

PROJECT NUMBER AND TITLE

ESTIMATED U.S. DOLLAR COST (\$000) \$/

PROJECT NUMBER AND TITLE	OBLIG DATE	TOTAL COST	OBLIG THRU FY 85	FY 85 PIPE- LINE	FY 1986		FY 1987		FY 88 AAPL	SUBCAT/ & PVO	SPECIAL CODE
					OBLIG- ATIONS	EXPEND- ITURES	OBLIG- ATIONS	EXPEND- ITURES			
AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION											
279-0045 LOCAL RESOURCES FOR DEVELOPMENT	G 79 84	8,720 7,989	7,989	105	0	105	0	0	0	ENIL/ 0	PC
279-0052 AGRICULTURE DEVELOPMENT SUPPORT	G 79 95	120,735 154,574	57,248	10,468	11,550	18,300	11,500	15,123	11,500	FNDS/ 0	PR#/WA
279-0052.1 CORE	G 80 95	(59,804) (59,804)	(22,267)	(3,072)	(6,928)	(7,000)	(5,203)	(5,500)	(4,200)	FNLK/ 0	-
279-0052.2 ISAI-188 SECONDARY AGRICULTURAL INSTITUTE	G 79 90	(13,660) (28,160)	(12,410)	(2,150)	(950)	(2,100)	(1,500)	(1,700)	(1,600)	FNPA/ 0	-
279-0052.3 PETS-POULTRY EXTENSION AND TRAINING	G 82 85	(6,186) (5,800)	(6,186)	(2,809)	0	(1,400)	(-386)	(1,023)	0	FNDS/ 0	PR#
279-0052.4 HITS HORTICULTURE IMPROVEMENT AND TRAINING	G 83 89	(14,385) (14,385)	(14,385)	(8,437)	(-2,633)	(2,800)	(1,183)	(2,400)	(1,450)	FNLK/ 0	PR#
279-0052.5 FOA-FACULTY OF AGRICULTURE	G 85 95	(29,187) (29,187)	(2,000)	(2,000)	(6,305)	(5,000)	(4,000)	(4,500)	(3,000)	FNFD/ 0	-
279-0052.6 IFF-IRRIGATED FARM PRACTICES	G 88 94	(0) (17,238)	(0)	(0)	(0)	(0)	(0)	(0)	(1,250)	FNAL/ 0	WA
APPROPRIATION TOTAL		129,455 162,563	65,237	18,573	11,550	10,405	11,900	15,123	11,500		

BUREAU FOR ASIA AND NEAR EAST
 FY 1988 ANNUAL BUDGET SUBMISSION
 TABLE IV - PROJECT BUDGET DATA

PROJECT NUMBER AND TITLE	ESTIMATED U.S. DOLLAR COST (\$000) <u>a/</u>																
	OBLIG ---DATE---	INIT	FIN	AUTH	---TOTAL COST---	OBLIG THRU FY 85	FY 85 PIPE- LINE	---FY 1986---	OBLIG- ATIONS	EXPEND- ITURES	MORTGAGE	OBLIG- ATIONS	---FY 1987---	EXPEND- ITURES	FY 88 AAPL	SUBCAT/ % PVO	SPECIAL CODE
279 - YEMEN ARAB REPUBLIC																	
SELECTED DEVELOPMENT ACTIVITIES																	
G	84				(80)	(80)	(66)	(40)	(40)	(25)	(160)	(40)	(35)	(40)	(40)		
L					(80)	(80)	(66)	(40)	(40)	(25)	(160)	(40)	(35)	(40)	(40)		
SMALL PROJECT ASSISTANCE PROGRAM II																	
COUNTRY TOTAL GRANT																	
					257,022	146,418	44,733	23,000	33,407	181,808	26,000	26,796	26,000	26,000	26,000		

a/ No Loans.
b/ Negative FY 1986 amount is applied to needs of CORE, thereby reducing a total obligation amount by the negative amount.
c/ Negative FY 1988 amount is applied to needs of other subprojects thereby reducing their indicated obligation amounts by the negative amount.

AID PROGRAM IN FY 1988
ANNUAL BUDGET SUBMISSION
TABLE V - PROPOSED PROGRAM RANKING

DECISION UNIT 279 - YEMEN ARAB REPUBLIC

RANK	PROJECT TITLE	NEW/ ON- GOING	LOAN/ GRANT	PROGRAM FUNDING (\$000)		
				APPROP	INCR	CUM
1	0052.5 Agricultural Development Support - FOA	O	G	ARDN	3,000	3,000
2	0052.2 Agricultural Development Support - ISAI	O	G	ARDN	1,600	4,600
3	0052.1 Agricultural Development Support - CORE	O	G	ARDN	4,200	8,800
4	0052.4 Agricultural Development Support - HITS	O	G	ARDN	1,450	10,250
5	0080 Development Training III	O	G	EHR	9,200	19,450
6	0044 Small Rural Water Systems	O	G	HE	1,400	20,850
7	PL 480 Title I - Yemen	O	L	PI	(5,000)	-
8	0082 Accelerated Cooperation for Child Survival	O	G	HE	3,000	23,850
9	0052.6 Agricultural Development Support - IFP	N	G	ARDN	1,250	25,100
10	0074 Education Development Support	N	G	EHR	900	26,000
11	0054 Small Project Assistance Program II	O	G	SD	(40)	-
	TOTAL				26,000	

wang 0036P

FY 1988 ANNUAL BUDGET SUBMISSION
LOCAL CURRENCY USE NARRATIVE

All local currency is generated from sales of P.L. 480 Title I commodities. The provision of rice and wheat for sale under the Title I program from its initiation in FY 1984 through FY 1986 is anticipated to reach \$25M in value. Sales agreements have been signed for a value of \$20M through February 1986; Vice President Bush during a recent visit announced an additional provision of wheat at a value of \$5M before the end of FY 1986.

All of the FY 1984 and part of the FY 1985 local currency generations are being devoted to a program for reconstruction of homes damaged or destroyed in Dnamar Province during the 1982 earthquake. Of the \$8.3M set aside for earthquake reconstruction, the Government of the Yemen Arab Republic (YARG) expended \$1.8M in its fiscal year 1985 (the YARG fiscal year corresponds to the calendar year).

No other expenditures have been made to date. USAID/Yemen has been in negotiation and will soon sign with the YARG an understanding on local currency use for a program totalling 124.9M Yemeni Riials (\$14.7M calculated at an exchange rate of 8.5:1). This total includes the earthquake reconstruction program, support for on-going agricultural projects and support for the Wadi Jawf Rural Development Program (e.g., feeder roads, village extension centers and other infrastructure).

Negotiation on programs for health and water activities will take place later this fiscal year. Self-help programs in agribusiness will be defined at a later date.

As stated in USAID/YEMEN's FY 1987 Action Plan, because Yemen has a free market economy with no major policy disincentives to production, the P.L. 480 Title I program here is not tied to policy reform. Rather, Title I support will be needed over the next several years to assist the YARG in bridging the foreign exchange gap before oil revenues begin to flow into the country. At the moment, foreign exchange scarcity severely limits YARG ability to finance commercial grain purchases. The YARG has adopted a conscious policy of seeking concessional financing for grain imports, to defer the payback period until after the oil exports begin. With a debt service ratio of 12% projected for 1986, the YARG's credit rating is good and could support relatively short-term (3-5 year) borrowing. The current policy thus reflects the YARG's conservative and, probably, prudent fiscal management.

Wheat and rice provided under the Title I program is sold by the Yemen Foreign Trade Corporation to a wide range of wholesalers. Substantial local currency proceeds from previous sales are being programmed in support of agreed-upon self-help measures, which include citrus canker eradication and establishment of an indigenous capacity to train agricultural manpower. Over the next several years, local currency generations will likely be programmed for rural health clinic construction under our child survival effort, loans to private sector investors in agribusinesses, and a revolving fund for rural water systems.

FY 1988 ANNUAL BUDGET SUBMISSION

Table VI: Expenditures of Local Currency Generations
(all in U.S. dollar equivalents, and in \$ millions)

Source/Purpose	1985 ACTUAL	1986 EST.	1987 PLANNED	1988 PROP.
I. <u>ECONOMIC SUPPORT FUND</u>	N/A	N/A	N/A	N/A
II. <u>DEVELOPMENT ASSISTANCE</u>	N/A	N/A	N/A	N/A
III. <u>PL 480</u>				
A. Public Development Activities				
1. Earthquake Reconstruction	1.88	5.17	1.26	0
2. Faculty of Agriculture	(0)	(0.98)	(0.74)	(0)
- Instructional Farm	(0)	(0.87)	(0.33)	(0)
- Sewer Connection	(0)	0.09)	(0)	(0)
- Road Relocation	(0)	(0.02)	(0.41)	(0)
3. Citrus Canker Eradication	(0)	(0.11)	(0.11)	(0)
4. Horticulture Station Infrs. (al-Jarouba)	(0)	(0.10)	(0.02)	(0)
5. Plant Protection Laboratory	(0)	(0.08)	(0)	(0)
6. Poultry Facility Infrs.	(0)	(0.12)	(0)	(0)
7. Marib Citrus Nursery and al-Irra/al-Jarouba utilities	(0)	(0.19)	(0.58)	(0)
8. Planning/Statistics Office for Ministry of Agriculture	(0)	(0.06)	((0.27)	(0)
9. Construction of 100 Public Health Care Units; refurbishing 12 training centers	(0)	(0)	(0)	(2.00)
10. Wadi Jawf Rural Development	0	0.73	2.20	0
11. Rural Water Systems	0	0	3.00	3.00
B. Private Sector Programs				
1. Agribusiness	0	0	3.00	3.00
C. Public Sector Recurrent Budget				
1. Child Survival Local Costs	(0)	(0)	(2.00)	(0)
D. AID Operating Expenses-Trust Fund	0	0	0	0
TOTAL	1.88	5.90	9.40	6.00
TOTAL Non-Add Project Support	(0)	(1.64)	(3.72)	(2.00)

TABLE VIII
Operating Expense Narrative

Section A - Management Improvements

The Mission has attained many of the management goals that were established during the past two years. Our USDH level has been reduced from 25 to 19. This same reduction is reflected in our FSN staffing levels. Many of the vacancies created by these reductions have been filled by PSC's resulting in a significant reduction in cost. If we are to maintain the present assistance portfolio it will not be possible to further reduce our USDH, or FSNDH levels.

The Mission's efforts to upgrade the skills of FSN's have proved worthwhile. Several of the Mission divisions now have FSN personnel filling positions that were formerly held by USDH. For example, the Program Office employs two U.S. trained Yemeni as Program Assistants. The Executive Office has promoted a Yemeni-American to the position of Assistant GSO, a position formerly held by an American.

The same progress can be seen in the ADP section. Under the direction of a skilled TCN the mission has automated all of its word processing. Additionally, the Controller's Office is embarking on their effort to automate the fiscal function. The equipment is in place and training is underway. Of equal interest is the effort in GSO to automate our warehouse and shipping function. By the end of this year all inventories will be on the computer, greatly reducing the time and cost of the tedious task of accounting for the thousands of items in GSO.

The Mission's efforts to train employees were greatly enhanced by the employment of a PSC office skills trainer during the past year. Not only were office skills upgraded, including the use of Wang, but other subjects included filing, proper format, use of the telex, techniques for inventory, telephone techniques, etc. This training included GSO employees who now have the basic skills to perform more effectively and economically.

In the coming year the Mission's primary interest will be directed to determining the feasibility of providing contractor support through a more effective and economical method. Toward this end we have entered into a contract with a IQC management firm who will perform a Management analysis. This analysis will be directed toward establishing the cost and effectiveness of the support services now provided to Contractors as well as AID direct hire personnel. The review will include an in-depth look at the cost of operating motor pools, warehouse facilities, personnel branches, travel support, fiscal functions, and maintenance operations. When unit costs are established by the contractor we believe that this

TABLE VIII - FY 1986
Operating Expense Summary

<u>EXPENSE CATEGORY</u>	<u>FUNC. CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLARS</u>	<u>TRUST FUNDS</u>	<u>TOTAL</u>	<u>UNITS</u>
<u>U.S. DIRECT HIRE</u>	U100		2,021.7		2,021.7	
U.S. CITIZENS BASIC PAY	U101	110	1,090.2		1,090.2	21.4 (1)
PT/TEMP U.S. BASIC PAY	U102	112	61.1		61.1	2.0 (2)
DIFFERENTIAL PAY	U103	116	300.5		300.5	
OTHER AID/W FUNDED CODE 11	U104	119	50.0		50.0	
OTHER MISSION FUNDED CODE 11	U105	119				
EDUCATION ALLOWANCES	U106	126	100.0		100.0	13.0
RETIREMENT - U.S. DIRECT HIRE	U107	120	80.8		80.8	
LIVING ALLOWANCES	U108	128	19.8		19.8	
OTHER AID/W FUNDED CODE 12	U109	129	35.0		35.0	
OTHER MISSION FUNDED CODE 12	U110	129	12.0		12.0	
POST ASSIGNMENT - TRAVEL	U111	212	31.1		31.1	7.0
POST ASSIGNMENT - FREIGHT	U112	22	97.5		97.5	7.0
HOME LEAVE - TRAVEL	U113	212	35.1		35.1	10.0
HOME LEAVE - FREIGHT	U114	22	20.5		20.5	10.0
EDUCATION TRAVEL	U115	215	18.0		18.0	12.0
R AND R TRAVEL	U116	215	44.7		44.7	13.0
OTHER CODE 215 TRAVEL	U117	215	25.4		25.4	8.0
<u>FOREIGN NATIONAL DIRECT HIRE</u>	U200		426.5		426.5	
BASIC PAY	U201	114	331.6		331.6	21.0 (3)
OVERTIME, HOLIDAY PAY	U202	115	21.4		21.4	1.5
ALL OTHER CODE 11 - FN	U203	119	14.2		14.2	
ALL OTHER CODE 12 - FN	U204	129	34.3		34.3	
BENEFITS FORMER FN PERSONNEL	U205	13	25.0		25.0	
<u>CONTRACT PERSONNEL</u>	U300		430.7		430.7	
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113	235.0		235.0	9.0
ALL OTHER U.S. PSC COSTS	U303	255	46.4		46.4	
F.N. PSC - SALARY/BENEFITS	U304	113	119.5		119.5	3.0
ALL OTHER F.N. PSC COSTS	U305	255	29.8		29.8	
MANPOWER CONTRACTS	U306	259				
JCC COSTS PAID BY AID/W	U307	113				
<u>HOUSING</u>	U400		569.1		569.1	
RESIDENTIAL RENT	U401	235	455.7		455.7	25.0
RESIDENTIAL UTILITIES	U402	235	75.9		75.9	
MAINTENANCE AND RENOVATION	U403	259	10.0		10.0	
QUARTERS ALLOWANCES	U404	127				
RESIDENTIAL FURNITURE/EQUIP.	U405	311	15.4		15.4	
TRANS./FREIGHT - CODE 311	U406	22	7.1		7.1	
SECURITY GUARD SERVICES	U407	254				
OFFICIAL RESIDENCE ALLOWANCES	U408	254	3.0		3.0	
REPRESENTATION ALLOWANCES	U409	252	2.0		2.0	

(1) - Includes 20.0 Regular USDH plus 1.00 IDI per State 153972

(2) - Includes 2.0 PT - USDH per State 153972

(3) - Includes 20.0 Regular FNDH plus 1.0 PT-FNDH per State 153972

TABLE VIII - FY 1986
Operating Expense Summary

<u>EXPENSE CATEGORY</u>	<u>FUNC. CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLARS</u>	<u>TRUST FUNDS</u>	<u>TOTAL</u>	<u>UNITS</u>
OFFICE OPERATIONS	U500		1,149.3		1,149.3	
OFFICE RENT	U501	234				
OFFICE UTILITIES	U502	234	40.0		40.0	
BUILDING MAINT./RENOVATION	U503	259	35.0		35.0	
OFFICE FURNITURE/EQUIPMENT	U504	310	64.4		64.4	
VEHICLES	U505	312	32.5		32.5	
OTHER EQUIPMENT	U506	319	33.8		33.8	
TRANSPORTATION/FREIGHT	U507	22	46.6		46.6	
FURN/EQUIP/VEHICLE REPAIR/MAINT.	U508	259	20.0		20.0	
COMMUNICATIONS	U509	230	30.0		30.0	
SECURITY GUARD SERVICES	U510	254	164.7		164.7	
PRINTING	U511	24	7.0		7.0	
SITE VISITS - RIG PERSONNEL	U512	210				
SITE VISITS-MISSION PERSONNEL	U513	210				
SITE VISITS-AID/W PERSONNEL	U514	210	38.0		38.0	12.0
INFORMATION MEETINGS	U515	210				
TRAINING ATTENDANCE	U516	210	55.8		55.8	14.0
CONFERENCE ATTENDANCE	U517	210	12.0		12.0	4.0
OTHER OPERATIONAL TRAVEL	U518	210	29.2		29.2	18.0
SUPPLIES AND MATERIALS	U519	26	225.3		225.3	
FAAS	U520	257	115.0		115.0	
CONSULTING SVCS. - CONTRACTS	U521	259				
MGT./PROF. SVCS. - CONTRACTS	U522	259				
SPEC. STUDIES/ANALYSES CONT.	U523	259				
ALL OTHER CODE 25	U524	259	200.0		200.0	
TOTAL O.E. BUDGET			4,597.3		4,597.3	
RECONCILIATION			1,732.6		1,732.6	
OPERATING BUDGET REQUIREMENTS						
636C REQUIREMENTS	U600	32				
TOTAL ALLOWANCE REQUIREMENTS	U000		2,864.7		2,864.7	
<u>LOCAL COST SUPPORT COST DATA</u>						
F.N. PSC - SALARY/BENEFITS	U304	113	993.2		993.2	69.0
ALL OTHER F.N. PSC COSTS	U305	255	194.3		194.3	
MANPOWER CONTRACTS	U306	259				
SITE VISITS - RIG PERSONNEL	U512	210				
SITE VISITS-MISSION PERSONNEL	U512	210	47.8		47.8	100.0

DOLLARS REQUIRED FOR LOCAL CURRENCY EXPENSES
EXCHANGE RATE USED (MARCH 31, 1986)

2,515.1
YR 8.50 = \$1.00

TABLE VIII - FY 1987
Operating Expense Summary

<u>EXPENSE CATEGORY</u>	<u>FUNC. CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLARS</u>	<u>TRUST FUNDS</u>	<u>TOTAL</u>	<u>UNITS</u>
U.S. DIRECT HIRE	U100		1,890.5		1,890.5	
U.S. CITIZENS BASIC PAY	U101	110	970.4		970.4	19.4 (1)
PT/TEMP U.S. BASIC PAY	U102	112	36.0		36.0	1.0 (2)
DIFFERENTIAL PAY	U103	116	268.6		268.6	
OTHER AID/W FUNDED CODE 11	U104	119	50.0		50.0	
OTHER MISSION FUNDED CODE 11	U105	119				
EDUCATION ALLOWANCES	U106	126	142.0		142.0	16.0
RETIREMENT - U.S. DIRECT HIRE	U107	120	70.5		70.5	
LIVING ALLOWANCES	U108	128	27.3		27.3	
OTHER AID/W FUNDED CODE 12	U109	129	35.0		35.0	
OTHER MISSION FUNDED CODE 12	U110	129	20.0		20.0	
POST ASSIGNMENT - TRAVEL	U111	212	32.4		32.4	8.0
POST ASSIGNMENT - FREIGHT	U112	22	112.0		112.0	8.0
HOME LEAVE - TRAVEL	U113	212	23.4		23.4	10.0
HOME LEAVE - FREIGHT	U114	22	36.5		36.5	10.0
EDUCATION TRAVEL	U115	215	9.6		9.6	8.0
R AND R TRAVEL	U116	215	23.8		23.8	7.0
OTHER CODE 215 TRAVEL	U117	215	33.0		33.0	10.0
<u>FOREIGN NATIONAL DIRECT HIRE</u>	U200		452.1		452.1	
BASIC PAY	U201	114	358.0		358.0	21.0 (3)
OVERTIME, HOLIDAY PAY	U202	115	20.0		20.0	1.5
ALL OTHER CODE 11 - FN	U203	119	15.0		15.0	
ALL OTHER CODE 12 - FN	U204	129	34.1		34.1	
BENEFITS FORMER FN PERSONNEL	U205	13	25.0		25.0	
<u>CONTRACT PERSONNEL</u>	U300		1,563.3		1,563.3	
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113	281.2		281.2	10.0
ALL OTHER U.S. PSC COSTS	U303	255	38.8		38.8	
F.N. PSC - SALARY/BENEFITS	U304	113	1,109.3		1,109.3	71.0
ALL OTHER F.N. PSC COSTS	U305	255	134.0		134.0	
MANPOWER CONTRACTS	U306	259				
JCC COSTS PAID BY AID/W	U307	113				
<u>HOUSING</u>	U400		615.8		615.8	
RESIDENTIAL RENT	U401	235	372.2		372.2	22.0
RESIDENTIAL UTILITIES	U402	235	75.9		75.9	
MAINTENANCE AND RENOVATION	U403	259	10.0		10.0	
QUARTERS ALLOWANCES	U404	127				
RESIDENTIAL FURNITURE/EQUIP.	U405	311	101.6		101.6	
TRANS./FREIGHT - CODE 311	U406	22	45.4		45.4	
SECURITY GUARD SERVICES	U407	254	5.7		5.7	
OFFICIAL RESIDENCE ALLOWANCES	U408	254	3.0		3.0	
REPRESENTATION ALLOWANCES	U409	252	2.0		2.0	

(1) - Includes 19.0 Regular USDH plus 0.4 IDI per State - 153972

(2) - Includes 1.0 PT - USDH per State - 153972

(3) - Includes 20.0 Regular FNDH plus 1.0 PT-FNDH per State - 153972

TABLE VIII - FY 1987
Operating Expense Summary
(continued)

<u>EXPENSE CATEGORY</u>	<u>FUNC. CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLARS</u>	<u>TRUST FUNDS</u>	<u>TOTAL</u>	<u>UNITS</u>
OFFICE OPERATIONS	U500		1,524.5		1,524.5	
OFFICE RENT	U501	234				
OFFICE UTILITIES	U502	234	42.4		42.4	
BUILDING MAINT./RENOVATION	U503	259	37.0		37.0	
OFFICE FURNITURE/EQUIPMENT	U504	310	89.5		89.5	
VEHICLES	U505	312	51.0		51.0	
OTHER EQUIPMENT	U506	319	50.7		50.7	
TRANSPORTATION/FREIGHT	U507	22	57.6		57.6	
FURN/EQUIP/VEHICLE REPAIR/MAINT.	U508	259				
COMMUNICATIONS	U509	230	30.0		30.0	
SECURITY GUARD SERVICES	U510	254	132.0		132.0	
PRINTING	U511	24	7.0		7.0	
SITE VISITS-MISSION PERSONNEL	U512	210	50.0		50.0	115.0
SITE VISITS-AUD/W PERSONNEL	U513	210	38.0		38.0	8.0
INFORMATION MEETINGS	U514	210				
TRAINING ATTENDANCE	U515	210	55.8		55.8	14.0
CONFERENCE ATTENDANCE	U517	210	12.0		12.0	4.0
OTHER OPERATIONAL TRAVEL	U518	210	29.2		29.2	12.0
SUPPLIES AND MATERIALS	U519	26	397.3		397.3	
FAAS	U520	257	115.0		115.0	
CONSULTING SVCS. - CONTRACTS	U521	259				
MGT./PROF. SVCS. - CONTRACTS	U522	259				
SPEC. STUDIES/ANALYSES CONT.	U523	259				
ALL OTHER CODE 25	U524	259	330.0		330.0	
TOTAL O.E. BUDGET			6,046.2		6,046.2	
RECONCILIATION			1,545.5		1,545.5	
OPERATING BUDGET REQUIREMENTS						
636C REQUIREMENTS	U600	32				
TOTAL ALLOWANCE REQUIREMENTS	U000		4,500.7		4,500.7	

DOLLARS REQUIRED FOR LOCAL CURRENCY EXPENSES
EXCHANGE RATE USED (MARCH 31, 1986)

2,553.2
YR 8.50 = \$1.00

Estimated Wage Increase - FY 1986 to FY 1987
Estimated Price Increase - FY 1986 to FY 1987

10%
10 - 15%

TABLE VIII - FY 1968
Operating Expense Summary

<u>EXPENSE CATEGORY</u>	<u>FUNC. CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLARS</u>	<u>TRUST FUNDS</u>	<u>TOTAL</u>	<u>UNITS</u>
U.S. DIRECT HIRE	U100		1,991.6		1,991.6	
U.S. CITIZENS BASIC PAY	U101	110	955.6		955.6	20.0 (1)
PT/TEMP U.S. BASIC PAY	U102	112	36.0		36.0	1.0 (2)
DIFFERENTIAL PAY	U103	116	272.0		272.0	
OTHER AID/W FUNDED CODE 11	U104	119	40.0		40.0	
OTHER MISSION FUNDED CODE 11	U105	119				
EDUCATION ALLOWANCES	U106	126	224.0		224.0	25.0
RETIREMENT - U.S. DIRECT HIRE	U107	120	70.0		70.0	
LIVING ALLOWANCES	U108	128	26.0		26.0	
OTHER AID/W FUNDED CODE 12	U109	129	30.0		30.0	
OTHER MISSION FUNDED CODE 12	U110	129	20.0		20.0	
POST ASSIGNMENT - TRAVEL	U111	212	34.8		34.8	9.0
POST ASSIGNMENT - FREIGHT	U112	22	122.0		122.0	9.0
HOME LEAVE - TRAVEL	U113	212	28.8		28.8	8.0
HOME LEAVE - FREIGHT	U114	22	26.5		26.5	8.0
EDUCATION TRAVEL	U115	215	12.0		12.0	10.0
R AND R TRAVEL	U116	215	60.9		60.9	20.0
OTHER CODE 215 TRAVEL	U117	215	33.0		33.0	10.0
<u>FOREIGN NATIONAL DIRECT HIRE</u>	U200		490.3		490.3	
BASIC PAY	U201	114	393.8		393.8	21.0 (3)
OVERTIME, HOLIDAY PAY	U202	115	20.0		20.0	1.5
ALL OTHER CODE 11 - FN	U203	119	15.0		15.0	
ALL OTHER CODE 12 - FN	U204	129	36.5		36.5	
BENEFITS FORMER FN PERSONNEL	U205	13	25.0		25.0	
<u>CONTRACT PERSONNEL</u>	U300		1,667.9		1,667.9	
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113	267.0		267.0	9.0
ALL OTHER U.S. PSC COSTS	U303	255	43.4		43.4	
F.N. PSC - SALARY/BENEFITS	U304	113	1,204.2		1,204.2	71.0
ALL OTHER F.N. PSC COSTS	U305	255	153.3		153.3	
MANPOWER CONTRACTS	U306	259				
JOCC COSTS PAID BY AID/W	U307	112				
<u>HOUSING</u>	U400		588.1		588.1	
RESIDENTIAL RENT	U401	235	372.2		372.2	12.0
RESIDENTIAL UTILITIES	U402	235	75.6		75.6	
MAINTENANCE AND RENOVATION	U403	259	10.2		10.2	
QUARTERS ALLOWANCES	U404	127				
RESIDENTIAL FURNITURE/EQUIP.	U405	311	89.1		89.1	
TRANS./FREIGHT - CODE 311	U406	22	34.9		34.9	
SECURITY GUARD SERVICES	U407	254	0.0		0.0	
OFFICIAL RESIDENCE ALLOWANCES	U408	254	3.0		3.0	
REPRESENTATION ALLOWANCES	U409	252	2.0		2.0	

(1) - Includes 19.0 Regular USDR plus 1.0 PT-FN per State - 15397.

(2) - Includes 1.0 PT - USDR per State - 15397.

(3) - Includes 20.0 Regular FNDR plus 1.0 PT-FN per State - 15397.

TABLE VIII - FY 1988
Operating Expense Summary
(continued)

<u>EXPENSE CATEGORY</u>	<u>FUNC. CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLARS</u>	<u>TRUST FUNDS</u>	<u>TOTAL</u>	<u>UNITS</u>
OFFICE OPERATIONS	U500				1,102.1	
OFFICE RENT	U501	234	1,102.1		1,102.1	
OFFICE UTILITIES	U502	234	40.8		40.8	
BUILDING MAINT./RENOVATION	U503	259	25.0		25.0	
OFFICE FURNITURE/EQUIPMENT	U504	310	25.0		25.0	
VEHICLES	U505	312	75.0		75.0	
OTHER EQUIPMENT	U506	319	24.1		24.1	
TRANSPORTATION/FREIGHT	U507	22	31.7		31.7	
FURN/EQUIP/VEHICLE REPAIR/MAINT.	U508	259	20.0		20.0	
COMMUNICATIONS	U509	230	30.0		30.0	
SECURITY GUARD SERVICES	U510	254	145.2		145.2	
PRINTING	U511	24	7.0		7.0	
SITE VISITS-MISSION PERSONNEL	U512	210	55.0		55.0	120.0
SITE VISITS-AID/W PERSONNEL	U513	210	38.0		38.0	8.0
INFORMATION MEETINGS	U514	210				
TRAINING ATTENDANCE	U515	210	55.8		55.8	14.0
CONFERENCE ATTENDANCE	U517	210	12.0		12.0	4.0
OTHER OPERATIONAL TRAVEL	U518	210	29.2		29.2	12.0
SUPPLIES AND MATERIALS	U519	26	273.3		273.3	
FAAS	U520	257	115.0		115.0	
CONSULTING SVCS. - CONTRACTS	U521	259				
MGT./PROF. SVCS. - CONTRACTS	U522	259				
SPEC. STUDIES/ANALYSES CONT.	U523	259				
ALL OTHER CODE 25	U524	259	100.0		100.0	
TOTAL O.E. BUDGET			5,840.0		5,840.0	
RECONCILIATION			1,518.6		1,518.6	
OPERATING BUDGET REQUIREMENTS						
636C REQUIREMENTS	U600	32				
TOTAL ALLOWANCE REQUIREMENTS	U000		4,321.4		4,321.4	

DOLLARS REQUIRED FOR LOCAL CURRENCY EXPENSES
EXCHANGE RATE USED (MARCH 31, 1986)

YR $\frac{2,511.0}{8.50} = \$1.00$

Estimated Wage Increase - FY 1987 to FY 1988
Estimated Price Increase - FY 1987 to FY 1988

$\frac{10\%}{10 - 15\%}$

TABLE VIII(a)
Information on U.S. PSC Costs
(Function Codes U302 and U303)

<u>Position Title/Description</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>
Secretary (CON)	24.0 (02/86-2/87)	26.0 (2/87-2/88)	27.2 (2/88-2/89)
Secretary (GDO)	24.0 (6/86-6/87)	25.0 (6/87-6/88)	26.2 (6/88-6/89)
Secretary (PRO)	24.7 (2/86-2/87)	25.0 (2/87-2/88)	26.2 (2/88-2/89)
Secretary (EXO)	-0-	25.0 (10/86-9/87)	26.2 (10/87-09/88)
Secretary (ENG/ACO)	23.9 (6/86-6/87)	25.0 (6/87-6/88)	26.2 (6/88-6/89)
Adm. Asst. Trainer (EXO)	24.0 (6/86-6/87)	25.0 (6/87-6/88)	26.2 (6/88-6/89)
Research Officer (PRO)	14.1 (10/85-9/86)	-0-	-0-
Asst. Project Officer (GDO)	31.7 (1/86-1/87)	35.0 (1/87-1/88)	36.2 (1/88-1/89)
General Services Officer (EXO)	39.6 (3/86-2/87)	40.2 (2/87-2/88)	41.1 (2/88-2/89)
Asst. GSO (EXO)	29.0 (12/86-2/87)	30.0 (2/87-2/88)	31.5 (2/88-2/89)
Adm. Asst. (PRO)	-0-	25.0 (10/86-10/87)	-0-
<u>Total US PSC-Salary/Benefits U302</u>	<u>235.0</u>	<u>281.2</u>	<u>267.0</u>
<u>All Other US PSC Costs U-303</u>	<u>46.4</u>	<u>38.8</u>	<u>43.4</u>

TABLE VIII(b)
All Other Code 25 Detail

<u>Description</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>
(1) Casual Laborers	40.0	30.0	30.0
(2) Doctor's Consultancy Fees	11.0	-0-	-0-
(3) Daily Laborers & other Misc. costs <u>1/</u>	149.0	100.0	70.0
(4) Contract for Asphaltting <u>2/</u>	-0-	100.0 (11/01-12/31/86)	-0-
(5) Contract for Construction service <u>3/</u>	-0-	100.0 (07/01-12/31/87)	-0-
<u>Total - All Other Code 25 - U-524</u>	<u>200.0</u>	<u>330.0</u>	<u>100.0</u>

1/ Includes costs for daily laborers required for expansion of warehouse, improvement of USAID compound, and all other Misc. cost under \$25,000.

2/ Includes contract cost with a private paving Company.

3/ Includes contract cost for construction of expansion of USAID office building.

0042A

TABLE VIII (C)

OBLIGATION FOR ACQUISITION, OPERATION
AND USE OF INFORMATION TECHNOLOGY

Information Technology Narrative

A. Uses of Existing Equipment

Current use of Mission Automation Equipment is as follows:

1. The Wang WP 25 is still currently used for Word Processing and documentation filing and periodic updating.
2. The six Wang PC's are used in the following areas.
 - (a) Participant Training Files
 - (b) ~~Economic and statistical analysis~~
 - (c) Automated Administrative documents (ABS, C. S, CP) Budget tables
 - (d) Project design Management and monitoring
 - (e) Budgeting
 - (f) Property/Personnel lists
 - (g) Spreadsheets

B. Current and Long-Range Plans

1. USAID/Yemen's prioritized planned for uses for the automated equipment is as follows:
 - (a) Participant Training Files
 - (b) FSN payroll
 - (c) Personnel Staffing and Actions
 - (d) ~~ABS/CDSS/CP: Project Raw Data~~
 - (e) ~~Controller Internal Reports~~
 - (f) Mission Property Inventories
 - (g) Motor Pool Inventories and Reports
2. USAID/Yemen is in the process of installing the Wang VS 65 system which, along with the six PC's will address the following information processing needs.
 - (a) Project design management and monitoring
 - (b) Economic, statistical and sensitivity analysis
 - (c) Monitoring and control of Mission Administrative and logistic functions.
 - (d) Tracking of Participant Training
 - (e) ~~Mission Accounting and control system (MACS)~~
 - (f) Property Management system
 - (g) Word Processing
 - (h) Data storage

Of the above listed items, the first six are all high priority but are of equal importance. The last two, while important are to some extent met by the current WP 25 system.

The four WP workstations now on-line and which were thought to be compatible with the VS-65 for further word and data processing used on the VS system, may not be compatible. This possible compatibility problem has been raised but not yet confirmed by the local Wang Representative. If in fact these workstations are not compatible then additional procurement of a similar number will be required this FY.

- X
3. The Mission has hired a TCN from the Phillipines who has primary responsibility for the operation and management of the automation equipment and system.
 4. Periodic Wang and PC training is being held on a regular basis for DH and PSC Americans as well as FSN staff. Training of mission personnel in the use of the Wang VS will take place upon the installation of the VS 65 at post. The TCN who has the management responsibility for the ADP system will require courses in VS systems administration, VS utilities, telecommunication, VS procedure language and COBOL. It is anticipated that the TCN's selected replacement will require training in those areas in one or two years.
 5.
 - (a) The Mission has, through its TCN in charge of the ADP system, provided WP and microcomputer training to the Central Planning Organization staff of the Yemen Arab Republic Government. It is anticipated that additional computer training and hardware configuration recommendation assistance will be provided to the Central Planning Organization on a regular basis.
 - (b) USAID contractors in the Agricultural Sector are now using Wang Microcomputers; VS 15 has been procured and will be utilized in the Ministry of Agriculture of the Yemen Arab Republic in coordination with the AID contractors Agriculture support program.
 - (c) The use of the VS and PC computers will enable the Mission to design its development assistance strategy more efficiently.
 6. The Mission will use the following criteria to evaluate the effectiveness of its automation program.
 - (a) Extent of use, i.e. number of varied application
 - (b) Extent to which applications within the Mission are effective in project design and implementation
 - (c) Time saving
 - (d) Number of FSN's and DH Americans trained and using the systems
 - (e) Number of users overall
 - (f) Balance of data processing to word processing
 - (g) System inactivity, to both malfunction and to failure to use by Mission Personnel

C. ACQUISITION PLAN

	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
<u>FY-86</u>						
Four (4) 4230 VS Workstations	WP 25 PHASE OUT	NOTHING	2 PCS	NOTHING	NOTHING	NOTHING
Two (2) 2276 C3 Archivers	Four (4) 42300 W/S to replace 5536					

Current Year Ratio: Personnel Workstation

FY-86

WP
08 work stations
30 users
3.8 to one Ratio

PC

06 work stations
14 users
2.3 to one Ratio

Operational Year Ratio: Personnel Workstation

FY-87

PC

06 work stations
14 users
2.3 to one Ratio

VS

07 Work stations
30 users
4.3 to one ratio

Budget Year Ratio: Personnel Workstation

FY-88

PC

06 work stations
14 users
2.3 to one ratio

VS

07 work stations
30 users
4.3 to one ratio

TABLE VIII (c)
OBLIGATIONS FOR ACQUISITION, OPERATION
AND USE OF INFORMATION TECHNOLOGY SYSTEMS

<u>Item and Explanation</u>	<u>Fiscal Years (\$000)</u>		
	1986	1987	1988
<u>1. Capital Investment</u>			
A. Purchase of Hardware	21.9	13.9	-
B. Purchase of Software	5.6	13.6	-
C. Site and Facility			
Subtotal	27.5	27.5	-
<u>2. Personnel</u>			
<u>FSN/TCN</u>			
A. Compensation, Benefits & Travel	78.3	148.3	151.1
B. Workyears	1.0	2.0	2.0
<u>3. Equipment Rental Space and Other Operating Costs</u>			
A. Lease of Equipment			
B. Space			
C. Supplies and Other (incl. freight)	5.1	5.6	6.1
D. Non-Commercial Training	-	-	-
Subtotal	5.1	5.6	6.1
<u>4. Commercial Services</u>			
A. Computer Time			
B. Leased Telecommunications Services			
C. Operations and Maintenance			
(1) Operations			
(2) Maintenance	12.6	21.4	23.5
D. Systems Analysis & Programming			
E. System Design & Engineering		1.0	3.5
not applicable			
F. Studies and Other			
Subtotal	12.6	22.4	27.0
<u>5. Total Dollars</u>	<u>123.5</u>	<u>203.8</u>	<u>184.2</u>
Total Work Years (from item 2A)	<u>1.0</u>	<u>2.0</u>	<u>2.0</u>
<u>6. Mission Allowance Level</u>			
A. Existing Systems	17.7	176.3	184.2
B. New or Expanded Systems	105.8	27.5	15.1

Attachment to Item No. 1 - Capital Investment of
Table VIII (c)

FY-86

A. Hardware

<u>Vender</u>	<u>Name & model</u>	<u>Unit Cost</u>	<u>Qty</u>	<u>Total Cost</u>
1. Wang	VS Workstation 4230	2.5	4	9.9
2. Wang	Archives 2276C3	6.0	2	<u>12.0</u>
				<u>21.9</u>

B. Software

1. Wang	20/20 Spreadsneet (including VS-Access and VS-Multistation)	5.6	1	<u>5.6</u>
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FY-87

A. Hardware

1. 5577 Matrix Printer		3.9	1	3.9
2. VS Workstations 4230		2.5	4	<u>10.0</u>
				<u>13.9</u>

B. 1. Pace Relational Database
Management System

		13.6	1	<u>13.6</u>
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FY 1988 ANNUAL BUDGET SUBMISSION

TABLE XI

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

	Actual FY 1986		Estimated FY 1987		Projected FY 1988	
	\$	MT	\$	MT	\$	MT
<u>COMMODITIES</u>						
<u>Title I</u>						
Rice	5	13				
Wheat	5	27	5	27	5	27
Total	10	40	5	27	5	27
of which Title III	0		0		0	
Total	10	40	5	27	5	27

COMMENT: