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UNCLASSIFIED

Annual Budget Submission

FY 1985

Thailand

BEST AVAILABLE

JUNE 1983

Agency for International Development
Washington, D.C. 20523

UNCLASSIFIED

THAILAND
FY 1985 ABS

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ACTION PLAN

This Mission's program is in a state of transition from an emphasis on meeting basic human needs, especially in Northeast Thailand, to a somewhat-broader strategy which facilitates the goals both of rural poverty alleviation and technological modernization in a rapidly-developing country. This decision to progressively adopt dual thrusts in the A.I.D./Thailand program reflects accelerating development trends which have become more apparent in the past few years: a growth rate which has brought its per capita GNP to the second highest among A.I.D.'s recipient countries in Asia; a growing economic interdependency with regional and world markets across a range of products and services; the laying down of a substantial socioeconomic infrastructure base throughout rural areas; and an essentially Thai generated program to systematically identify and address key problems in the areas of rural poverty. At the same time, essentially static A.I.D. resource levels for Thailand have necessitated an ever greater focus on supporting technological and managerial improvements, leaving most capital assistance to other donors.

Our strategic analysis of how A.I.D. will relate in detail to these emerging trends is still underway, and specific sectors of future A.I.D. assistance have not been firmly identified. Also still to be planned is the pace and the extent of the shift from essentially a poverty alleviation program to one dealing more with the advanced technological development needs of Thailand. More complete outlines of our new strategy cannot be expected prior to the FY 1986 CDSS due early next calendar year, as has been explained and agreed to in A.I.D./Washington. A series of analyses commissioned by the Mission is underway. Already completed is a study comparing Thailand's socioeconomic development performance with that of other advanced LDC's, as well as a review of problems and programming prospects in several key sectors such as agriculture, health and education. Another study has taken a close look at government resource allocation. Between now and the end of CY 1983, we plan to look at the extent and causes of the problem of regional income disparities, future U.S. bilateral assistance prospects in selected health subsectors identified as being of special concern to A.I.D. in the Asia Strategic Plan and the Policy Paper, and other areas such as Thai manpower development requirements, technological transfer needs and approaches for rural and industrial development, and prospects for agricultural diversification.

Our FY 84/85 Action Plan, therefore, must be relatively abbreviated in order to give the Mission a degree of flexibility as it moves to complete the strategic planning process. We have already concluded, however, that the unfolding program will follow a major theme that will govern our involvement in all sectors of activity: Through both policy dialogue/policy formulation support and institutional development, A.I.D.

will seek to enhance public sector efficiency and effectiveness and raise technological and managerial capabilities, enabling Thailand to mutually pursue its goals of industrialization and rural development.

Accordingly, we have identified new and ongoing project accomplishments, specific project or sub-program evaluations, inauguration of new projects, and internal Mission management changes which will support the above program goal, and yet still will be relevant to any conceivable array of sectoral programs proposed for the remainder of the 1980's and included in the FY 86 CDSS. The overall program theme is consistent with the parameters established in the FY 85 CDSS, the AID/W comment and directives related to that CDSS, and the Asia Bureau's Strategic Plan. The theme is specifically faithful to the programming precepts and long-range objectives for the more rapidly progressing countries of Southeast Asia set out on pages 27-29 of the Asia Plan.

1. OBJECTIVE: "... policy dialogue/policy formulation ... to enhance public sector efficiency and effectiveness ..."

   ACTIONS IN SUPPORT:

   a. Complete review of the health sector assessment and determine what, if any, further A.I.D. effort is needed to improve or introduce cost-effective health services. (FY 1984).

   b. Evaluate the ongoing Population Planning II Project and centrally-funded population projects active in Thailand to (i) assess what have been the most effective interventions in national family planning, (ii) determine if the traditional contraceptive supply-oriented strategy must be augmented by a demand-generation approach, and thereby (iii) provide a basis for RTG decision-making on FP investments and approaches during the Sixth Plan. (FY 85).

   c. Initiate the Emerging Problems of Development II Project to provide support for policy formulation and creation of problem-solving capabilities in RTG agencies not covered by other bilateral projects. (FY 85).

   d. Evaluate the Private Sector in Development Project and relevant PRE Bureau activities in Thailand to determine if the RTG has adopted policies and otherwise facilitated direct foreign investment and an expanded role for the private sector in promoting more equitable economic growth. (FY 85).

   e. Evaluate the Seeds II Project to determine if there has been a steady increase in private sector investment in the seed multiplication industry in Thailand, as projected under the project. (FY 85).

f. In conjunction with the Housing Guaranty Program, reorient the Thai Government Housing Bank to mobilize funds and on-lend for low-income housing built by private developers and the National Housing Authority. (FY 84).

g. Inaugurate a new project to strengthen management, monitoring, and evaluation systems of the RTG's Rural Poverty Area Program at the national and local levels. (FY 84).

h. Institutionalize area frame sampling techniques for much more timely and accurate agricultural data under the Agricultural Planning Project to further strengthen the capabilities of the Office of Agricultural Economics. (FY 85).

i. Include women in development considerations in the selection criteria for activities under the new agricultural management and policy project, the new science and technology development project, the PVO Co-Financing II Project, and the EPD II Project, as appropriate to ensure that WID policy concerns impact upon the range of our new portfolio.(FY 84/85).

j. Establish a research management system under the FY 1983 Khon Kaen University Research Development Project and assess from this experience how capabilities and processes can be developed and installed in regionally-based institutions to effectively carry out meaningful developmental research. (FY 84/85).

2. OBJECTIVE: "... institutional development ... to raise technological and managerial capabilities ..."

ACTIONS IN SUPPORT:

a. Evaluate centrally-funded agriculture projects active in Thailand and determine how A.I.D.'s centrally-funded research and technology transfer program can be more intensively channeled to Thai institutions. (FY 84).

b. Establish a Joint Career Corps (JCC) position and inaugurate the Regional Universities Project to strengthen private and public sector development capabilities in Thailand's Northeastern and Southern Regions. (FY 84).

c. Establish a JCC position and inaugurate a new science and technology project to facilitate systematic institutional arrangements for S&T knowledge transfer from the U.S. (This sub-objective builds in part upon sub-objective 2.a. above). (FY 84 - JCC position; FY 85 - S&T project).

d. As a follow-up to the Cancun Presidential Agricultural Mission of 1982, assist to strengthen management and problem-solving in the Ministry of Agriculture and Cooperatives by launching a new project with this specific objective. (FY 84).

In addition to the program objectives stated above, the Mission will make the following internal changes in FY 84/85:

a. The grant/loan funding mix for new projects will steadily shift toward a preponderance of loan funding, with only about 20% of the total funding in FY 85 in the form of grant. This shift reflects the strong economic performance of Thailand, the country's relative GNP standing, and apparent greater willingness of the RTG to borrow in areas of A.I.D. policy interest.

b. No more than 3 projects will be initiated in each fiscal year in order to begin to ease the design burden on Mission management and staff and to allow greater attention to implementation. The reduction in the size of the portfolio will also ease the administrative burden, as well as allow us to achieve greater impact from larger projects.

c. The new project portfolio will reflect an increased reliance on project administration by the Thai borrower/grantee; this is consistent with reduced Mission DH staffing, the increased competence of local implementing institutions, and more flexible project design criteria and approaches to be proposed.

d. The entire ongoing project portfolio will be reviewed in early FY 84 to determine (i) how implementation procedures such as procurement arrangements and monitoring/reporting can be streamlined, (ii) whether redesign is necessary to enhance project effectiveness, and (iii) whether deobligation is called for in the case of problem projects.

FY 1985 ANNUAL BUDGET SUBMISSION
TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT ($000)

COUNTRY/OFFICE: Thailand

	FY 1983	FY 1984		FY 1985	PLANNING PERIOD			
	ESTIMATE	CP	ESTIMATE	AAPL	1986	1987	1988	1989
DEVELOPMENT ASSISTANCE								
Agriculture, Rural Development & Nutrition								
Grants	7,900	4,500	3,500	1,000	4,000	1,000	1,000	1,000
Loan	9,000	13,000	10,000		12,000	19,000		23,000
Population								
Grants	1,400	2,900	2,700	2,400				
Loans	3,700	3,600	4,200					
(cent. proc. commodities)	(585)	(868)	(735)					
Health								
Grants								
Loans	5,000		1,000			5,000	7,000	
Education/Human Res.								
Grants								
Loans			6,400	14,600	5,000		14,000	11,000
Selected Dev. Activities								
Grants	500		1,200	3,000	2,000	5,000	5,000	5,000
Loans		5,000		10,000	10,000	5,000	10,000	
SUBTOTAL DA ACCOUNTS								
Grants	9,800	7,400	7,400	6,400	6,000	6,000	6,000	6,000
Loans	17,700	21,600	21,600	24,600	27,000	29,000	31,000	34,000
(of which PVO's)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
ECONOMIC SUPPORT FUND								
Grants	5,000	5,000	5,000	5,000				
Loans								
TOTAL DA AND ESF	32,500	34,000	34,000	36,000	33,000	35,000	37,000	40,000
Housing Guaranties	-	-	(15,000)	-	(20,000)	-	(20,000)	-

TOTAL PERSONNEL
USDH Workyears
FNDH Workyears
(See LOU Sections IX(a) and IX(b) under separate cover)

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Table I - Narrative

USAID/Thailand anticipates no difficulties in meeting forward funding guidelines. With the exception of the final (FY 86) tranche of funding projected for the Mae Chaem project, all presently ongoing grant projects will be fully funded by FY 1985. From FY 1986 onwards, the Mission plans that grant assistance will be limited to annual increments for (a) the Private and Voluntary Organizations Co-Financing II Project -- which must be obligated continually, over the course of the project's life -- and (b) the Emerging Problems of Development II Project.

Consistent with sectoral concentration and a new project management mode emphasizing larger projects and greater RTG initiative and administrative responsibility, we anticipate an average of only two project starts per fiscal year during the FY 85-89 planning period. Our larger loan projects in the FY 85-89 period may be obligated incrementally over two successive years due to the projected size of most loan projects during this period, the desire for budgetting flexibility in any given future FY, and the need to address development problems in several sectors at one time.

Please note that while the proposed absolute level of grant assistance will remain level at $6.0 million starting in FY 86, the relative proportion of total DA which is grant will fall from 34% in FY 84 to less than 18% in FY 89. Grant assistance (excepting PVO's) will be reserved for those relatively high-risk, experimental, or policy-directed activities where RTG borrowing could not reasonably be sought; most long-term TA and training, as well as commodities, equipment and other capital expenses, will be loan financed.

Virtually all projected activities under the long-range plan will support institutional development, policy formulation and dialogue, and technology transfer. To reflect Thailand's rapidly-modernizing status, a somewhat higher proportion (than past trends) of DA funding is projected in the EHR and SDA functional accounts with an eye to meeting specialized human resource and managerial needs and addressing emerging technological problems, respectively.

No ESF requirements are projected past the termination of A.I.D. assistance to the RTG's Affected Thai Program in FY 1985. ESF needs are, of course, subject to substantial adjustment depending upon Thai economic security needs which may arise in the future.

FY 1985 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

COUNTRY/OFFICE: USAID/THAILAND

BUREAU FOR ASIA

PROJECT NUMBER AND TITLE	G L	OBLIG -DATE- INIT	FIN	-TOTAL COST- AUTH	PLAN	OBLIG THRU FY 82	FY 82 PIPE-LINE	----FY 1983---- OBLI-GATION	EXPEND-ITURES	----FY 1984---- OBLI-GATIONS	EXPEND-ITURES	FY 85 AAPL	FUNDED THRU	FY 86 OBLIG	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	ITEM NO.
						ESTIMATED U.S. DOLLAR COSTS												
AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION																		
493-0270 Seed Development									SUBCAT:	FNAI	TECHNICAL CODE:	70						
	L	75	76	3700	3700	3700	25	(16)	9									409
493-0271 Sericulture Settlements									SUBCAT:	FNEX	TECHNICAL CODE:	79						
	L	76	76	2600	1800	1785	31	(38)	(7)									410
493-0272 Lam Nam Oon On-Farm Development									SUBCAT:	FNDS	TECHNICAL CODE:	244						
	G	77	77	100	100	100	83		55									411
	L	77	77	4500	3500	4500	2972	(1000)*	1218		550							
493-0275 Program Development Support									SUBCAT:	FNPA	TECHNICAL CODE:	900						416
	G	75	75	463	463	381	5	(5)										
493-0280 Agriculture Extension Outreach									SUBCAT:	FNEX	TECHNICAL CODE:	12						
	L	77	77	3000	2500	2438	1	(1)										417
493-0289 Land Settlements (PC)									SUBCAT:	FNLS	TECHNICAL CODE:	230						
	G	79	80	200	200	200	139		53		86							420
	L	79	79	4000	4000	4000	3702		353		3349							
493-0294 Mae Chaem Watershed Development									SUBCAT:	FNMC	TECHNICAL CODE:	210						
	G	80	86	10000	10000	4400	3745		875	2500	1718			3000				423

NOTE: Asterik indicates deobligations are in process.

FY 1985 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

COUNTRY/OFFICE: USAID/THAILAND

BUREAU FOR ASIA

PROJECT NUMBER AND TITLE	G L	OBLIG -DATE- INIT	FIN	-TOTAL COST- AUTH	PLAN	OBLIG THRU FY 82	FY 82 PIPE-LINE	----FY 1983---- OBLI-GATION	EXPEND-ITURES	----FY 1984---- OBLI-GATIONS	EXPEND-ITURES	FY 85 AAPL	FUNDED THRU	FY 86 OBLIG	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	ITEM NO.
						ESTIMATED U.S. DOLLAR COSTS												
493-0296 PVO Co-Financing Project									SUBCAT:	FNDV	TECHNICAL CODE:	920						
	G	80	84	3600	3600	1546	977	1000	599	1000	878		9/85					426
493-0303 Village Fish Pond Development									SUBCAT:	FNDS	TECHNICAL CODE:	700						
	G	79	79	442	442	442	54	(51)	3									430
493-0304 Renewable Non-Conventional Energy Development									SUBCAT:	FNNE	TECHNICAL CODE:	878						
	G	79	80	5000	5000	5000	3898		1547		912							431
493-0306 Rural Off-Farm Employment									SUBCAT:	FNPE	TECHNICAL CODE:	190						
	G	79	79	500	500	500	25	(25)										434
493-0308 N.E. Rainfed Agriculture Development									SUBCAT:	FNDS	TECHNICAL CODE:	020						
	G	81	83	3700	3700	2400	2332	1300	489		679							435
	L	81	81	6300	6300	6300	6281		436		1015							436
493-0312 Northeast Small Scale Irrigation									SUBCAT:	FNWD	TECHNICAL CODE:	064						
	G	80	81	2800	2800	2800	2669		800		674							-138
	L	80	80	5800	5800	5800	5722		363		1500							439
493-0315 Decentralized Development Management									SUBCAT:	FNPA	TECHNICAL CODE:	240						
	G	81	83	3100	3100	2500	2365	600	868		860							441
	L	81	82	7500	7500	7500	6400		1600		1800							

FY 1985 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

COUNTRY/OFFICE: USAID/THAILAND

BUREAU FOR ASIA

PROJECT NUMBER AND TITLE	G L	OBLIG -DATE- INIT	FIN	-TOTAL AUTH	COST- PLAN	OBLIG THRU FY 82	FY 82 PIPE-LINE	ESTIMATED U.S. DOLLAR COSTS ----FY 1983---- OBLI-GATION	EXPEND-ITURES	----FY 1984---- OBLI-GATIONS	EXPEND-ITURES	FY 85 AAPL	FUNDED THRU	FY 86 OBLIG	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	ITEM NO.
493-0317 Agricultural Planning									SUBCAT: FNPA		TECHNICAL CODE: 53							
	G	80	82	3200	3200	3200	3038		692		710							445
493-0324 Micro/Mini Hydroelectric									SUBCAT: FNER		TECHNICAL CODE: 878							
	G	82	82	100	100	100	100											449
	L	82	82	8000	8000	8000	8000		300		1300							450
493-0326 Seed Development II									SUBCAT: FNEX		TECHNICAL CODE: 70							
	G	82	82	100	100	100	100		3		10							453
	L	82	82	6100	6100	6100	6072		603		2252							454
493-0329 Private Sector in Development									SUBCAT: FNPE		TECHNICAL CODE: 140							
	G	83	83	3000	3000		-	3000	36		722							457
493-0332 Khon Khaen University									SUBCAT: FNTE		TECHNICAL CODE: 978							
	G	83	83		2000		-	2000	6		230							786
493-0336 Land Resource Management									SUBCA.: FNTE		TECHNICAL CODE: 70							
	L	83	83		9000		-	9000			2016							
493-0337 Agricultural Management and Policy									SUBCAT: FNPA		TECHNICAL CODE: 053							
	L	84	84		5000		-			5000	150		9/88					

COUNTRY/OFFICE: USAID/THAILAND

FY 1985 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

BUREAU FOR ASIA

PROJECT NUMBER AND TITLE	G L	OBLIG -DATE- INIT	FIN	-TOTAL AUTH	COST- PLAN	OBLIG THRU FY 82	FY 82 PIPE-LINE	----FY 1983---- OBLI-GATION	EXPEND-ITURES	----FY 1984---- OBLI-GATIONS	EXPEND-ITURES	FY 85 AAPL	FUNDED THRU	FY 86 OBLIG	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	ITEM NO.
						ESTIMATED U.S. DOLLAR COSTS												
493-0339 Strength. Mgt. Systems/Rural Dev.									SUBCAT: FNPA		TECHNICAL CODE: 230							
	L	84	84		5000		-			5000	125		9/89					
493-0342 PVO Co-Financing II									SUBCAT: FNPV		TECHNICAL CODE: 920			TOTAL FOR ACCOUNT				
	G	85	89		5000							1000	9/86	1000	1000	1000	1000	
TOTAL FOR ACCOUNT						73792	58736	16900	10901	13500	21536	1000						
GRANTS						23669	19530	7900 (81)	6026	3500	7479	1000						
LOANS						50123	39206	9000 (1055)	4875	10000	14057							
POPULATION PLANNING																		
493-0283 Population Planning									SUBCAT: PNFP		TECHNICAL CODE: 440							
	G	75	81	16300	16300	10631	599	(222)*	377									419
493-0325 Population Planning II									SUBCAT: PNFP		TECHNCIAL CODE: 440							
	G	82	85	8500	8500	2000	1426	1400	1260	2700	1278	2400	6/87					451
	L	82	84	9900	9900	2000	2000	3700	1148	4200	1023		6/87					452
TOTAL FOR ACCOUNT						14631	4025	5100	2785	6900	2301	2400						
GRANTS						12631	2025	1400 (222)	1637	2700	1278	2400						
LOANS						2000	2000	3700	1148	4200	1023							

FY 1985 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

COUNTRY/OFFICE: USAID/THAILAND

BUREAU FOR ASIA

PROJECT NUMBER AND TITLE	G/L	OBLIG -DATE- INIT	FIN	-TOTAL COST- AUTH	PLAN	ESTIMATED U.S. DOLLAR COSTS: OBLIG THRU FY 82	FY 82 PIPE-LINE	----FY 1983---- OBLI-GATION	EXPEND-ITURES	----FY 1984---- OBLI-GATIONS	EXPEND-ITURES	FY 85 AAPL	FUNDED THRU	FY 86 OBLIG	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	ITEM NO.
HEALTH																		
493-0291 Rural Primary Health Care Expansion									SUBCAT: HEDH		TECHNICAL CODE: 510							
	L	78	78	5500	5500	5500	2391		1505									422
493-0296 PVO Co-Financing Project									SUBCAT: HEPV		TECHNICAL CODE: 244							
	G	82	82	437	437	437	437		359		55							427
493-0305 Anti-Malaria									SUBCAT: HECS		TECHNICAL CODE: 550							
	G	79	79	500	500	500	203		144									432
	L	79	79	4000	4000	4000	1186		939									433
493-0331 PWWA Institutional Development									SUBCAT: HEWS		TECHNICAL CODE: 545							
	L	83	84		6000			5000		1000	1417		9/88					796
TOTAL FOR ACCOUNT						10437	4217	5000	2947	1000	1472							
GRANT						937	640	-	503	-	55							
LOANS						9500	3577	5000	2444	1000	1417							

COUNTRY/OFFICE: USAID/THAILAND

FY 1985 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

BUREAU FOR ASIA

PROJECT NUMBER AND TITLE	G L	OBLIG -DATE- INIT	FIN	-TOTAL COST- AUTH	PLAN	OBLIG THRU FY 82	FY 82 PIPE-LINE	ESTIMATED U.S. DOLLAR COSTS ----FY 1983---- OBLI-GATION	EXPEND-ITURES	----FY 1984---- OBLI-GATIONS	EXPEND-ITURES	FY 85 AAPL	FUNDED THRU	FY 86 OBLIG	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	ITEM NO.
EDUCATION AND HUMAN RESOURCES																		
493-0295 Non-Formal Vocational Education									SUBCAT: EHVT		TECHNICAL CODE: 611							
	G	80	80	500	500	500	231		133		19							424
493-0296 PVO Co-Financing Project									SUBCAT: EHPV		TECHNICAL CODE: 970							
	G	80	81	795	795	795	306	(17)	233		56							425
493-0297 Hill Area Education									SUBCAT: EHED		TECHNICAL CODE: 611							
	G	80	81	1600	1600	1600	1166		385		334							428
493-0338 Regional Universities									SUBCAT: EHDA		TECHNICAL CODE: 670							
	L	84	85		21000					6400		14600	9/91					
TOTAL FOR ACCOUNT						2895	1703		751	6400	409	14600						
GRANTS						2895	1703	(17)	751		409							
LOANS										6400		14600						
SELECTED DEVELOPMENT ACTIVITIES																		
493-0309 Emerging Problems of Development									SUBCAT: SDPP		TECHNICAL CODE: 900							
	G	80	84	4000	5200	4000	3240		1389	1200	1668		9/86					437
493-0314 Remote Sensing for Development									SUBCAT: SDTT		TECHNICAL CODE: 873							
	G	79	79	290	290	290	147		147									440
493-0329 Private Sector in Development Project									SUBCAT: SDPE		TECHNICAL CODE: 840							
	G	83	83	500	500			500										459

FY 1985 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

COUNTRY/OFFICE: USAID/THAILAND

BUREAU FOR ASIA

PROJECT NUMBER AND TITLE	G L	OBLIG -DATE- INIT	FIN	-TOTAL COST- AUTH	PLAN	OBLIG THRU FY 82	FY 82 PIPE-LINE	----FY 1983---- OBLI-GATION	EXPEND-ITURES	----FY 1984---- OBLI-GATIONS	EXPEND-ITURES	FY 85 AAPL	FUNDED THRU	FY 86 OBLIG	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	ITEM NO.
						ESTIMATED U.S. DOLLAR COSTS												
493-0340 Application of Science and Technology for Dev.								SUBCAT:	SDTT		TECHNICAL CODE:	873						
	L	85	86		20000							10000	9/87	10000				
493-0341 Emerging Problems of Development II								SUBCAT:	SDPP		TECHNICAL CODE:	900						
	G	85	88		15000							3000	9/87	2000	5000	5000		
TOTAL FOR ACCOUNT						4290	3387	500	1536	1200	1668	3000						
GRANTS						4290	3387	500	1536	1200	1668	3000						
LOANS												10000						
ECONOMIC SUPPORT FUND																		
493-0327 Relief & Reconstruction								SUBCAT:	ESZZ		TECHNCIAL CODE:	930						
	G	80	85	19000	24000	9000	5000	5000	7000	5000	8000	5000						390
TOTAL FOR ACCOUNT						9000	5000	5000	7000	5000	8000	5000						
GRANTS						9000	5000	5000	7000	5000	8000	5000						
LOANS						-	-	-	-	-	-	-						
GRAND TOTAL ALL ACCOUNTS						115045	77068	32500	25920	34000	35386	36000						
GRANTS						53422	32285	14800 (257)	17453	12400	18889	16400						
LOANS						61623	44783	17700 (1055)	8467	21600	16497	24600						

FY 1985 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

COUNTRY/OFFICE: USAID/THAILAND

BUREAU FOR ASIA

PROJECT NUMBER AND TITLE	G L	OBLIG -DATE- INIT	FIN	-TOTAL COST- AUTH	PLAN	ESTIMATED U.S. DOLLAR COSTS: OBLIG THRU FY 82	FY 82 PIPE-LINE	FY 1983 OBLI-GATION	FY 1983 EXPEND-ITURES	FY 1984 OBLI-GATIONS	FY 1984 EXPEND-ITURES	FY 85 AAPL	FUNDED THRU	FY 86 OBLIG	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	ITEM NO.
REGIONAL PROJECTS																		
498-0251 Reg. Private Voluntary Org.																		
	G	77	79	2774	2774		156	(31)	125									
498-0253 Regional Remote Sensing																		
	G	79	84	5600	5600	3710	2331	400	910		1421							
498-0256 AIP-Peace Corps																		
	G	83	83	50	50			50	30		20							
498-0258 ASEAN Agricultural Planning																		
	G	80	85	3000	3000	1900	1259	700	728		710							
							3745	1150 (31)	1793		2151							

COUNTRY/OFFICE: USAID/THAILAND

FY 1985 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

PVO SUB-PROJECTS ANNEX
BUREAU FOR ASIA

PROJECT NUMBER AND TITLE	G L	OBLIG -DATE- INIT	FIN	-TOTAL COST- AUTH	PLAN	OBLIG THRU FY 82	FY 82 PIPE-LINE	----FY 1983---- OBLI-GATION	EXPEND-ITURES	----FY 1984---- OBLI-GATIONS	EXPEND-ITURES	FY 85 AAPL	FUNDED THRU	FY 86 OBLIG	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	ITEM NO.
						ESTIMATED U.S. DOLLAR COSTS												
AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION																		
493-0296 (PVO Sub-Projects) G-00-1005-01 4H Council (U), (DC)																		
	G	81	82	493	493	493	232		141		90							
G-SS-1048-01 4H Council (U)																		
	G	81	82	148	148	148	117		54		63							
G-SS-0007-00 YMCA (U)																		
	G	80	80	231	231	231	15		15									
G-SS-9020-02 CRS (U)																		
	G	82	82	25	25	25	24		24									
G-SS-2033-00 CRS (U)																		
	G	82	82	100	100	100	94	52	40		64							
G-SS-2043-00 YWCA (I), (R)																		
	G	82	82	67	67	67	65		18		26							
G-SS-2058-00 PSBF (U)																		
	G	82	82	63	63	63	63		15		25							
G-SS-1035-01 IHAP (U)																		
	G	83	83	59	60			60	38		22							

COUNTRY/OFFICE: USAID/THAILAND

FY 1985 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

PVO SUB-PROJECTS ANNEX
BUREAU FOR ASIA

PROJECT NUMBER AND TITLE	G L	OBLIG -DATE- INIT	FIN	-TOTAL COST- AUTH	PLAN	ESTIMATED U.S. DOLLAR COSTS: OBLIG THRU FY 82	FY 82 PIPE-LINE	FY 1983 OBLI-GATION	FY 1983 EXPEND-ITURES	FY 1984 OBLI-GATIONS	FY 1984 EXPEND-ITURES	FY 85 AAPL	FUNDED THRU	FY 86 OBLIG	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	ITEM NO.
G-SS-3011-00 SCF (U)																		
	G	83	83	805	805			136	25		49							
G-SS-3009-00 IHAP (U)																		
	G	83	84	343	343			376	73		146							
G-SS-3012 -THCF																		
	G	83	83					120	23		46							
C-SS-3025-00 Mary Anderson(Evaluation)																		
	G	83	83					20	20									
C-SS-3024-00 Nicola Tannenbaum(Evaluation)																		
	G	83	83					13	13									
G-SS-2049-00-WEI																		
	G	82	84		410	267	267		67		109							
G-SS-2042-00 TAF																		
	G	82	84		100	100	100		33		38							
493-7017-T 4HC																		
	G	80	80			50												
Evaluation						2												
Projects to be Determined:								222		1000								
Total						1546	977	999	599	1000	678							

COUNTRY/OFFICE: USAID/THAILAND

FY 1985 ANNUAL BUDGETSUBMISSION
TABLE IV - PROJECT BUDGET DATA

PVO SUB-PROJECTS ANNEX
BUREAU FOR ASIA

PROJECT NUMBER AND TITLE	G L	OBLIG -DATE- INIT	FIN	-TOTAL AUTH	COST- PLAN	ESTIMATED U.S. DOLLAR COSTS: OBLIG THRU FY 82	FY 82 PIPE-LINE	FY 1983 OBLI-GATION	FY 1983 EXPEND-ITURES	FY 1984 OBLI-GATIONS	FY 1984 EXPEND-ITURES	FY 85 AAPL	FUNDED THRU	FY 86 OBLIG	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	ITEM NO.
EDUCATION AND HUMAN RESOURCES																		
G-SS-1035-00 - IHAP																		
	G	81	81	59	59	59	22		22									
G-SS-1050-00 -TAF (U)																		
	G	81	81	75	75	75	22		22									
G-SS-1008-00 -IHAP (U)																		
	G	81	81	312	312	312	125		69		56							
493-9020-T CRS (U)																		
	G	82	82		10	10	3		3									
G-SS-2026 - IHAP (U)																		
	G	80	80	74	74	74	6		6									
493-0034-T - TRRM (I), (R)																		
	G	80	80	138	138	138	117		117									
493-8008-T - PSBF (U)																		
	G	81	81	50	50	50	11		(6)									
G-SS-8004-00 THC																		
	G	80	81	4	4	4												
493-022-T - OEF																		
	G	80	80	39	39	39												

COUNTRY/OFFICE: USAID/THAILAND

FY 1985 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

PVO SUB-PROJECTS ANNEX
BUREAU FOR ASIA

PROJECT NUMBER AND TITLE	G L	OBLIG -DATE- INIT	FIN	-TOTAL AUTH	COST- PLAN	OBLIG THRU FY 82	FY 82 PIPE-LINE	----FY 1983---- OBLI-GATION	EXPEND-ITURES	----FY 1984---- OBLI-GATIONS	EXPEND-ITURES	FY 85 AAPL	FUNDED THRU	FY 86 OBLIG	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	ITEM NO.
						ESTIMATED U.S. DOLLAR COSTS												
G-SS-9021-00 PSBF																		
	G	80	80	25	25	25												
Workshop						9												
TOTAL						795	306		233		56							
HEALTH																		
G-SS-2018-00 - TAF																		
	G	82	82		300	300	300		222		55							
G-SS-9026-T - TDH																		
	G	82	82		137	137	137		137									
TOTAL						437	437		359		55							
GRAND TOTAL						2778	1720		1191		789							

FY 1985 Annual Budget Submission

PROJECT NARRATIVE

Project No. and Title: 493-0337 - Agricultural Management and Policy

Proposed Funding: (in $000's)

	FY 1984	LOP
Loan	5.0	5.0

Appropriation Account: FN

Project Purpose: To increase organizational effectiveness through management development and comprehensive policy and issues analysis in the Ministry of Agriculture and Cooperatives (MOAC).

Problems Addressed: Thailand is at an agricultural development crossroads. To maintain Thailand's share of the world market will necessitate a shift from relatively low level agricultural technology to a much higher level in the short and medium run. This requirement places severe pressure on the Ministry of Agriculture and Cooperatives to meet the increasing demand for capable trained managers to interpret policies and carry out programs and projects. Underscoring this link between technological and organizational development, the 1982 U.S. Presidential Agricultural Mission to Thailand identified the major constraints to continued growth in agriculture as: the existing low levels of technology used by Thai farmers; organizational inefficiencies in the generation and diffusion of technology for both production and marketing; and a shortage of skilled program and project managers in the MOAC.

In recognition of the urgent need to overcome the shortage of managers, the MOAC, in 1982, established a Training Center for Agricultural Administration and Development (TCAAD) in the Office of the Permanent Secretary with responsibility to improve the management skills of MOAC managers and potential managers as well as to provide policy and program orientation training at all levels of the Ministry. The MOAC is committed to improving organizational effectiveness through management development.

This Project will support the professional growth of TCAAD and its institutionalization as a key tool for policy implementation in the MOAC. Concurrent with the resultant increase in managerial capacity, the Project will support a process of problem analysis in the agricultural sector aimed at improving both production and marketing of farm commodities.

Qualitative support for the newly established Training Center will include technical assistance to (a) develop the management staff of the Center, (b) identify training needs, (c) train trainers, and (d) formulate training courses. Also to be included is procurement of a limited amount of equipment to increase the efficiency of existing training facilities, and some overseas training.

The Project also provides for the employment of short and medium term foreign and Thai expert consultants to analyze problems and issues and present alternative solutions for consideration by MOAC policy makers. Examples of consultancy needs that can be anticipated include: market research and development for specific commodities, marketing efficiency determinations, post-harvest losses and technology improvement, pre-feasibility studies of agribusiness opportunities, market information requirements of farmers, management efficiency analysis, and preparation of viable development project proposals. Critical areas for overseas training include: crop forecasting, crop and market situation and outlook reporting, and post-harvest technology.

A very preliminary estimate for AID-financial off-shore participant training is $1.5 million for about 60 trainees.

In addition to specialized technical assistance requirements identified above, it is anticipated that the Project will require two long-term consultants - an agricultural economist to assist the Permanent Secretary's staff in management of screening and selecting appropriate topics for analysis, and a management development expert to serve as direct counterpart to the Director of the Training Center.

This Project directly addresses issues identified in Agency guidance on institutional development and technology transfer and is consistent with the Bureau's Strategic Plan.

Among the issues to be resolved during design are: (a) definition of priority policy, technical and management problem areas; (b) establishment of criteria for use of Project funds by the Executive Committee; (c) identification of priority target groups for training; (d) potential role of MOAC regional centers in management development; and (e) definition of incremental steps toward institutionalization of management development in MOAC.

Target Group: Beneficiaries to be directly affected include the entire professional staff of MOAC, with particular emphasis on the present and future senior management cadre in the field. The entire rural population of the Kingdom will benefit in the long run as higher level technologies are diffused more effectively.

FY 1985 Annual Budget Submission

PROJECT NARRATIVE

Project No. and Title: 493-0338 - Regional Universities

Proposed Funding:

	(In $000's) FY 84	LOP
Loan	6.4	21.0

Appropriation Account: EHR

Project Purpose: To strengthen the capabilities of the regional universities to serve as development catalysts within their respective regions, through faculty/department and research upgrading and promotion of university outreach programs.

Problems Addressed: Higher education is a relatively new phenomenon in Thailand and one that has traditionally been highly centralized in Bangkok. Chulalongkorn University, the first and still preeminent university in Thailand, was created in 1917 as an outgrowth of the Royal Civil Servants School. The Thammasat University of Law and Political Science and two professional universities in medicine and agriculture followed, all in the Bangkok metropolitan area. By the late 1950's, senior government officials began to look at higher education as an instrumental part of the country's social and economic development plans. Accordingly, regional universities were established: Chiang Mai University (CMU) in 1960, Khon Kaen University (KKU) in 1962, and Prince of Songkhla University (PSU) in 1965.

Thai regional universities can be strengthened and adapted to support a number of development needs of the areas they serve -- both directly through their outreach programs and indirectly through tbe quality of graduates, research, and support to government and private sector activities. Regional universities are seen as an important element of the country's efforts to decentralize problem-solving and decision-making outside of Bangkok and help Thailand formulate new and more appropriate development policies. Stronger universities can become a valuable resource to indigenous institutions and government by helping them to improve the delivery of services to the poor, and by giving these institutions the capability to demand more authority and responsibility. Regional universities can also be an attractive alternative route for introduction of new technologies and methodologies from the U.S.

CMU has come the furthest, with preliminary analyses showing that the university has been a major developmental force in the North. While Chiang Mai University has gone a long way toward fulfilling its potential, similar regional needs in the Northeast and the South require

Khon Kaen and Prince of Songkhla Universities to follow suit. The objective of the proposed project will be to facilitate that process for KKU and PSU.

Khon Kaen University

The Mission is completing design of an FY 83 $2 million grant to strengthen KKU's research capabilities. The preparatory work for the collaborative USG-JOG grant project tentatively identified other needs which could be met in this Regional Universities Project, including the following:

-- Upgrading the Faculty of Humanities and Social Sciences. New and relatively small, the Faculty plans to expand into a number of important development fields during the next three years, including offering majors in Community Development, Administration, and Population Studies. By 1995, the Faculty expects to be offering B.A. degrees in 10 subject areas, including sociology and anthropology, local government, economics, geography, and environment.

-- Establishing a Master's Program in Agricultural Business Administration, which will prepare students for work in private agribusiness firms, banks, cooperatives, and commercial farms, as well as government service. The program would also include short-term management training for public and private sector participants.

-- Upgrading of Computer and Library/Information Services, to better support the research, teaching, and administrative needs of the University.

-- Expanding University outreach programs. The University wants to strengthen its ties to other institutions working in he Northeast, and its direct impact on economic development in the region. One possible route is collaboration with the Srinakharinwirot University campuses, teacher training colleges, and agricultural colleges in the Northeast, as well as private firms, and government agencies.

Prince of Songkhla University

Preliminary discussions wth PSU staff have identified a number of needs and potential areas for USAID support, including the following:

-- Upgrading the Faculty of Management Science. PSU has particular interest in training local government officials and village leaders, as well as of managers and support personnel for the rubber, tin, agribusiness, and nascent petrochemical industries of the South. An Economics Department might also be created at PSU.

-- Upgrading the Faculty of Natural Resources, which is making major efforts to expand its outreach capabilities, particularly in agricultural and rural devlopment support and environmental analysis.

-- Increasing the capacity of the University to do research appropriate to the needs of the South.

-- Expanding and strengthening outreach capabilities. To date, PSU has created an Office of Extension and Continuing Education, a South Thailand Studies Center, an Islamic Studies Center, and a Food and Nutrition and Rural Development Center for Southern Thailand -- all of which are bringing together disparate resources to expand the direct developmental influence of PSU. PSU plans to rationalize the efforts of these various centers and to expand its (a) support of the RTG's non-formal education programs; (b) training of village and local leaders; (c) promotion of self-help/community development projects; (d) collaboration with RTG agencies on regional infrastructure planning; (e) business management training through continuing education; and (f) technical referral services for industrial production problems.

-- Improving PSU library and information systems.

Detailed analyses have not yet been done, but we expect A.I.D. financing to be sought for technical assistance through a Title XII university(s) contract, training, research, information systems equipment, and outreach programs. It is expected that some 50 participants will be financed for Ph.D and Masters level training in the U.S. during the life of the project, at a cost of about $3 million.

USAID sees the Regional Universities project as an important part of its efforts to implement the Asia Strategic Plan for the Southeast Asian group of countries, especially in focussing the program on institutional strengthening, policy formulation, and research.

During early project development, the Mission will need to resolve the following issues: How will the USAID loan be passed on by the RTG to the Universities, as a grant or loan? Should the project be limited to KKU and PSU, or include limited support to CMU and other universities and technical/agricultural colleges located outside of Bangkok? Should USAID consider only one Title XII institution for both KKU and PSU, one for each, or a non-title XII institution?

Target Groups: Approximately 9,000 students studying at Prince of Songkhla and Khon Kaen Universities will be direct and early beneficiaries. The outreach and non-degree upgrading programs of the universities will affect additional thousands in business, agriculture, and government. There are 204 districts in the Northeast and South with a total population of approximately 5,500,000 included in the RTG's Rural Poverty Area Program, which can be expected to be a major vehicle for the universities' service outreach programs in the medium term.

FY 1985 Annual Budget Submission

PROJECT NARRATIVE

Project No. and Title: 493-0339 - Strengthening Management Systems for Rural Development

Proposed Funding:

	(In $000's) FY 84	LOP
Loan	5.0	5.0

Appropriation Account:

Project Purpose: To strengthen the management system of the Thai Rural Poverty Area Program, providing policy makers with monitoring and evaluation tools that assist in incrementally placing greater accountability for sustained development in the hands of local groups and officials.

Problems Addressed: Attempts by the RTG in recent years to have sustained impact on the poorest areas culminated in the early 1980's in the Rural Employment Generation Program (REGP) and the Poverty Area Program (PAP). The REGP serves as a channel for on-going AID support, and the PAP represents a major reformulation of how the RTG targets budgetary, institutional and human resources to deal with the problems of rural poverty. After systematically identifying those rural areas that have most seriously lagged behind phenomenal national growth, the RTG has identified a target population located in 19,000 villages of 286 districts. A set of "eligible" sub-programs has been developed that takes into account unique regional problems, e.g., soil salinity in the Northeast. Line agencies of the four key development ministries (i.e., Agriculture/Cooperatives, Health, Education, and Interior) remain responsible for implementing sub-projects under the Program that fall within their traditional purvue. Choice, however, is a function of local planning. This is a marked departure from the past when line agencies acted essentially independently and almost solely on the basis of Bangkok-established priorities.

In order to sustain this new resource-allocation approach and build decision-making muscle and management capability at the lower levels, RTG policy makers recognize that adjustments will have to be made over time to bring the program into line with actual experience. Such adjustments will be impossible without the institutionalization of an adequate learning process that provides decision makers with information to take corrective action in a timely way. A monitoring and evaluation system has been in place since the inception of the Poverty Area Program. The system has not, however, functioned in the manner expected; bottlenecks in data collection, in data analysis, in interpretation and in

application of information for management action have arisen. The purpose and value of data to be collected is not appreciated by those collecting it. Problems exist in translating tabulated figures into action-oriented information for decision makers. The focus on micro-data of sub-projects has pushed aside programmatic data needs as well as information on the dynamics of program change over time. The system does not provide for information from beneficiaries on effect of the Program; many program issues that are organizational and behavioral in nature cannot be understood or explained by quantitative data alone. Moreover, absence of training for staff at the various levels has seriously detracted from the intended use of monitoring and evaluation as a management tool.

This project will provide support for improvement of the management system in five basic ways: (1) foreign technical assistance in operational and procedural development to allow the system to react to changing requirements; (2) developing the capacity of local institutions to conduct special studies and consultancies in such areas as feasibility of new sub-programs proposed for PAP and the dynamics of change in program implementation; (3) increasing accountability in the monitoring and evaluation process through training and on-site consultancies with particular emphasis on use of data for management decisions in the field; (4) provision of equipment and supplies for use at local, provincial and central levels to streamline data compilation and interpretation so as to assure immediate utility to intermediate levels in the system and timely access by program policy makers; (5) participant training, primarily of a short-term nature, for key operational personnel in the implementing agencies as well as for personnel from identified local resource institutions (a very preliminary estimate for AID-financed participant training is $0.3 million, with about 20 trainees).

The National Rural Development Committee, chaired by the Prime Minister with a Secretariat in the NESDB, provides policy guidance for the PAP and will have primary responsibility for the Project. A direct working relationship with Thammasat University will also be critical as it has had to date, and will continue to have, a major role in the operation of the monitoring and evaluation system. Additional resources for the strengthening effort are being provided by the Government of Japan. This includes the recent installation of a computer at Thammasat University.

The project will be implemented concurrently with and parallel to an IBRD program strengthening loan of $40 million, negotiations for which are scheduled in September, 1983. The Bank loan will provide financial support for sub-programs managed by the Ministry of Agriculture and Cooperatives and, to a limited extent, those under the Ministry of Interior. In addition, it will support program administration for PAP generally. While the immediate purpose of this project is system strengthening of the PAP, it is anticipated that project output will provide significant lessons for formulation of policy and direction for

the National Rural Development Program during the 1986-1990 period of the Sixth National Development Plan.

The Project deals directly with improved equity for the less advantaged rural population. Through its components it addresses issues identified in Agency guidance on institutional development and technology transfer and is consistent with the Bureau's Strategic Plan.

Major issues tentatively are: (a) the appropriate balance between differing data and evaluation needs of the local and the national levels, and (b) the degree of A.I.D. involvement in improving PAP management effectiveness outside of the monitoring and evaluation area.

Target Group: Beneficiaries to be directly affected include residents of the 19,000 villages in 286 districts of 37 provinces, the established target group of the National Rural Poverty Program.

FY 1985 Annual Budget Submission

PROJECT NARRATIVE

Project No. and Title: 493-0340 - Application of Science and Technology for Development

Proposed Funding:

	(In $000's) FY 85	LOP
Loan	10.0	20.0

Appropriation Account: SDA

Project Purpose: To develop institutional mechanisms for the acquisition, adaptation and diffusion of advanced technology appropriate to the needs of an emerging diversified and modernized Thai economy and for social development.

Problems Addressed: Thailand has now progressed to a point in its development where most basic economic and social infrastructure is in place, the private sector is diversified and expanding, and substantial human resource development in the form of moderately-advanced managerial and technical training has taken place. The country's growth and development have caused it to be increasingly interlinked with competitive regional and world economies. However, the benefits and structure of change have not been evenly distributed either geographically or demographically. If Thailand is to remove the remaining roadblocks to middle (and higher) income status, it must systematically obtain and effectively utilize those modern technologies which will enable it to maximize its current natural resource and labor advantages. More of an opportunity than a problem, Thailand is in a position to tap into an industrialized world knowledge base which is increasingly relevant to the specific requirements of Thai socioeconomic development without enormous redundant investments in scientific and technological R&D. However, in order to do this, Thailand must get its private and public sector S&T institutional framework in better order. The project would attempt to sort out the most appropriate roles for the public and private sectors and help determine how they can optimally relate to and reinforce each other.

The proposed project would seek to enhance the institutional capabilities of present or potential S&T-oriented bodies such as the Thai Institute of Science and Technological Research, the National Research Council of Thailand, the Association of Thai Industries and/or the network of leading universities and technical institutes to introduce relevant scientific and technical methods into Thailand. The project would emphasize accelerated S&T applications on key problems of national

development where American technology has proven results, such as remote sensing for natural resource planning, development and protection, biogenetics in agricultural research, computer technology and systems analysis in rural development administration and water management, micro-electronics in quality control and the health sciences, and petrochemical industry development. The project would also assist the Thais to grapple with policy issues and development alternatives arising out of the influx of scientific and technological innovations, such as in communications. Inputs applied would include advanced technology hardware, instrumentation and processes, with associated technical assistance, training and software.

The RTG would contract with a preeminent U.S. R&D institution to provide overall technical and managerial guidance; A.I.D. itself would seek to maintain a minimal direct operational role. To augment A.I.D.'s mandatory oversight role, the Mission tentatively proposes formation of an expert consultative panel perhaps organized by the U.S. National Academy of Sciences or equivalent to monitor for the highest standards of expert personnel deployed, sensitivity to new S&T developments, and relevance to Thai needs. A Joint Career Corps science and technology expert already requested by the Mission for assignment in Thailand would manage the project for A.I.D. One explicit feature of the project would be to periodically survey and seek to intensively disseminate proven results from A.I.D.'s centrally-funded scientific and technological research activities, thereby strengthening the long term cost-effectiveness and relevance of that research.

A very preliminary figure for A.I.D.-financed participant training would be approximately $2.0 million, with about 200 trainees LOP.

The Mission views this project as fully consistent with the Asia Bureau's Strategic Plan, especially as it relates to the program approach for Thailand and Southeast Asia as a whole.

Issues still to be resolved include (a) the sectoral spread of the project -- should applications of science and technology be sought in support of social development as well as economic development?; (b) whether the RTG will agree to borrow A.I.D. funds when large segments of the private sector are potential beneficiaries without at least partial cost recovery; and (c) who would be the lead RTG institution?

Target Group: Beneficiaries directly affected include those employed in agriculture and related industries, businesses too small to have their own R&D capabilities, Thai scientists and researchers, and RTG service agencies. The entire country will benefit as a whole from the project over the long term.

FY 1985 Annual Budget Submission

PROJECT NARRATIVE

Project No. and Title: 493-0341 - Emerging Problems of Development II

Proposed Funding:

	(In $000's)	
	FY 85	LOP
Grant	3.0	15.0

Appropriation Account: SDA

Project Purpose: To improve central RTG agency planning and management of programs supporting indigenous institutional development, technology transfer, and economic policy formulation and reform.

Problem Addressed: Many emergent issues in Thai development cannot be practically addressed through the mechanism of large limited-purpose loan projects. Frequently, opportunities to impact on institutional bottlenecks, new program and policy formulations, technological or methodological options, and government skills mix -- all of which have policy implications -- arise quickly and in not-fully-expected ways. A.I.D.'s usefulness and influence in these situations is often determined by the flexibility and responsiveness of our assistance . A five-year grant program in key sectors of mutual A.I.D. and RTG policy concern would go far to ensuring the relevance of the A.I.D. program among high policy levels in Thailand. Grant assistance is the correct instrument in this instance since the RTG borrows only for activities in which the outputs have clear and direct economic benefit and where the implementation agency is fixed ahead of time.

The Mission proposes to apply this form of assistance only in those cases where (a) the subject matter either transcends or is outside of topics covered by other major ongoing or proposed projects, or (b) the activity is high-risk or experimental to such an extent as to reasonably preclude RTG receptivity to loan financing. Excepting the new PVO Co-Financing II project, this will be the only instance where grant funds will be utilized in our new project portfolio. This coincides with the mission's commitment to move toward a largely loan-financed program.

We expect that major beneficiaries of this grant would be those central RTG staff agencies such as the National Economic and Social Development Board and the Budget Bureau involved in restructuring the govenment's programs and processes to substantially raise efficiency and increase effectiveness. Training and technical assistance provided under this grant would qualitatively complement the major quantitative assistance being provided under the World Bank's series of Structural Adjustment Loans, of which $325 million has been committed so far. These

inputs would also fit well with the proposed A.I.D. projects to strengthen the Ministry of Agriculture and to assist science and technological development. Both NESDB and the World Bank have commented very favorably on the responsiveness of A.I.D.'s TTMS and Emerging Problems of Development grants, which can be considered to be predecessors of the proposed project.

In order to prudently program the limited project funds available, annual action plans laying out the activities to be supported and senior policy and a staff-level operational (management) committees would be established for the project under arrangements similar to EPD. It is anticipated that the Department of Technical and Economic Cooperation would be the lead implementing agency. Training would be mostly non-degree, of the "learning module" type, and offshore OJT would be encouraged. Shorter-term consultancies would largely constitute the technical assistance element. Integrated packages of TA, training, and commodities focussed on a common problem would be a feature of the project. We anticipate that applied research in economics, management, and social science will be undertaken, and such proposals will be carefully screened to ensure conformity with the Agency's research priorities.

The project will directly serve major A.I.D. policy concerns by building up the ability of host country institutions to better undertake the formulation of appropriate RTG economic policies and decision-making frameworks. The proposed project is consistent with the Asia Bureau's Strategic Plan for "the Southeast Asian group" which for the rest of this decade will stress, inter alia, policy formulation and "joint research efforts in management, economics and the social sciences as the vehicle for a more sophisticated 'dialogue' with less USG involvement."

A tentative budget and participant magnitude for training under this project would be $5.0 million and 300 trainees over the LOP.

Target Group: Policy makers, RTG and private sector users of socioeconomic research generated under the project, and RTG agency staff are the direct beneficiaries. Since the problems and issues to be dealt with under this project will usually be national in scope, indirect beneficiaries include the entire population potentially.

FY 1985 Annual Budget Submission

PROJECT NARRATIVE

Project Number and Title: 493-0342 - PVO Co-Financing II

Proposed Funding: (In $ 000's)

	FY 85	LOP
Grant	1.0	5.0

Appropriation Account: FN, EHR, H

Project Purpose: To strengthen local level PVO development efforts in Thailand consistent with and in support of A.I.D. strategy and the priority sectors of A.I.D. assistance.

Problem addressed: Voluntarism in Thailand has a long and honorable history. However, while the majority of U.S. PVO's operating in Thailand have proven records of accomplishment and managerial competence, this is less true of local PVO's, many of which are comparatively young organizations. Therefore, an institution-building element of the ongoing and planned second phase PVO Co-Financing projects is to strengthen and improve the role and structure of indigenous PVOs through upgrading the competence of their volunteer and professional staff. The PVO program, whether implemented by U.S. or indigenous organizations, is also intended to encourage greater involvement of the public in social welfare and economic development, and to assist private and voluntary organizations and government to form closer working relations and serve common socioeconomic objectives.

The objectives of A.I.D. funded activities under PVO Co-Fi I (active from FY 80-85 for $ 5 million LOP) have included projects such as testing models for village and community development, training and job placement for the Deaf, non-formal education for disadvantaged women, cooperative development and testing of educational programs for Hill Tribes, and other efforts designed to improve the dietary habits and village food production practices of the poor. A.I.D.'s contribution to these activities has represented 60% of the total project costs.

A minimum cash or in-kind contribution amounting to 25% of total project costs has been made by the PVOs or the RTG. In practice during the original PVO Co-Financing Project from 1980 to present, these contributions have been above 40%. In the new project, the sub-projects will adhere to the principle that part of the 25% non-AID funding requirement be a cash contribution that will be obtained by the PVOs from private sources.

The FY 85 program will request $1,000,000 to provide grants to U.S. and Thai PVOs for sub-projects which concentrate on food production, nutrition, allied rural development activities, and human resource development. A.I.D. financed inputs will be for the financing of local costs of services, equipment, supplies, training and administration. An outside evaluation of the PVO Co-Financing Project is currently in progress and the results of this evaluation will be incorporated in the design of PVO Co-Financing II Project.

The proposed project directly supports as a principal objective the formation of indigenous, non-governmental institutions, a key objective of overall A.I.D. policy. It will otherwise be designed and carried out in conformance with the Agencies' new policy paper on "A.I.D. Partnership in International Development with Private and Voluntary Organizations."

Issues still to be resolved include (a) whether the project should include assistance to grapple with Thai PVO's lack of management experience and capabilities; (b) how to realistically assess the true capabilities of PVO's prior to financial commitment by A.I.D.; (c) the specific allocations anticipated under the project among the four DA appropriation accounts.

Target Group: The area of women in development is of special concern to the program in Thailand. Over the past years USAID has addressed women in development concerns primarily through Co-Financing projects with U.S. and Thai PVOs. While a discrete WID project is not proposed, we have found that PVO activities are able to significantly enhance the effectiveness and status of women, particularly those in rural areas.

Other beneficiaries directly affected include primarily rural poor and disadvantaged people for whom the projects are designed. In addition, Thai PVO staffs and volunteers receive design and management experience and benefit from AID support.

FY 1985 ANNUAL BUDGET SUBMISSION
COUNTRY: THAILAND

TABLE V - FY 1985 PROPOSED PROGRAM RANKING					Country/Office	
	PROGRAM ACTIVITY				PROGRAM FUNDING ($000)	
RANK	DESCRIPTION	ONGOING NEW	LOAN GRANT	APPR ACCT	INCR	CUM
1	Population Planning II	O	G	PN	2,400	2,400
2	Regional Universities	O	L	ED	14,600	17,000
3	Emerging Problems of Dev. II	N	G	SD	3,000	20,000
4	ESF Affected Thai	O	G	ES	5,000	25,000
5	Science and Technology	N	L	SD	5,000	30,000
6	PVO Co-Financing II	N	G	FN	1,000	31,000
7	Science and Technology	N	L	SD	5,000	36,000
	TOTAL				36,000	

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FY 1985 - A.B.S.

Table V - Proposed Program Ranking: Narrative

Population Planning II is ranked first in the FY 1985 budget because the $2.4 million grant proposed represents the final increment of funding under this very important $18.4 million project, and, in fact, the last major bilateral project funding anticipated for this sector. The RTG is within striking distance of financial and managerial self-reliance in family planning, and failure on AID's part to follow through with this funding commitment could disrupt orderly turnover of program administration to full Thai responsibility. Population Planning II is also ranked first because: the Mission views effective family planning as essential to continued Thai development and poverty alleviation; RTG and AID investments in family planning have been and will be highly cost-effective in the longer term; and family planning programs in Thailand afford AID an opportunity to see tangible results in government policy and budgetary reform, institutional and human resources development, utilization of private sector alternatives, and rapid transfer of relevant U.S. scientific, technological, and managerial methods.

The Regional Universities project, to be initiated in FY 1984, ranks second both because it is a major ongoing loan project with FY 1985 as the final funding increment and because this activity represents a significant new program initiative for USAID/Thailand. The Mission has determined that universities in the Northeast and the South offer a viable and creative alternative in rural development to principal reliance on central government functional implementing agencies. Regional universities have a large and expandable pool of talent needed for a sustained advance on poverty, low growth and emerging problems of modernization, and a commitment to outreach in service to the surrounding community. Regional universities and other localized institutions are important also because they can help work out local solutions without the need to create a new bureaucratic superstructure below the central government level. Large numbers of semi-skilled labor will be released from the agriculture sector in the coming decade, and local universities and their outreach programs will be important both in directly enhancing the broad skills base and training technical and managerial cadres who will direct this base.

The ability to have a flexible response to the specialized development planning and problem-solving needs of Thailand requires a modest continuing level of grant assistance for the foreseeable future. Seminal amounts of bilateral grant funds are needed to attract and complement centrally-funded research and technology refinement/ dissemination activities of the S&T and Asia Bureaus, to quickly take advantage of openings for policy formulation and dialogue with the Thai

Government, and to meet core staff and institutional needs of government agencies such as the Budget Bureau and the Civil Service Commission. For reasons of management simplicity, the new grant program (excepting PVO support) will be administered after FY 1985 under a single project -- Emerging Problems of Development II. Concentration of the grant program in EPD II will also help ensure that scarce grant assistance will be husbanded for either higher-risk or experimental AID/RTG activities or for specialized institutional or policy development objectives which fall outside the scope of larger loan projects.

ESF support to the Affected Thai program ranks fourth since it is an ongoing activity -- again, we anticipate in its last year of funding as presently constituted -- and since it is a significant facet of U.S./Thai foreign relations. Even if total U.S. economic assistance was to freeze or slip back from current authorized levels (which we strongly recommend against), we consider ESF/Affected Thai must be part of any realistic core assistance program in FY 1985. Five million dollars in FY 1985, together with earlier commitments, should be sufficient to ensure meaningful program impact in the approximately 250 villages targetted for special development emphasis on the Thai/Indochinese borders.

The fifth-ranked project, Applied Science and Technology for Development, is a new activity for FY 1985 which also manifests new program interests of the Mission. Five million dollars in FY 1985 is a minimum start for this proposed $20.0 million project; addition of the seventh-ranked $5.0 million component would put much less pressure on our AAPL-limited budget of $33.0 million in FY 1986 and permit the Mission to launch a significant new effort in that year. Mission thinking on the parameters of ASTD are still in the formative stages, but we are convinced that the more sophisticated scientific and technological needs across all functional sectors of a rapidly changing Thai economy justifies a substantial U.S. response. The Thai Government has made clear on numerous occasions that it particularly values the access to U.S. scientific and technological methods, prototypes, and equipment which AID assistance affords. It is apparent that Thailand has reached a level of development where appropriate technologies in areas such as medicine, agricultural biogenetics, and remote sensing can be readily adapted, absorbed, and directed at lingering problems of poverty and the new problems of structural dislocations in an increasingly diverse economy. ASTD corresponds to comparative American strengths among the array of international donors active in Thailand in that it emphasizes the qualitative dimension of A.I.D. assistance and the advanced transferable skills of the U.S. economy.

Support to the new PVO Co-Financing II project is ranked sixth only because PVO activities generally do not make a marked impact on the core of AID strategy. The Mission considers the ongoing PVO effort to be useful and attractive in Thailand, and for this reason we are proposing a second phase co-financing project for FY 1985 start-up to carry on from the successful PVO project drawing to a close that year.

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

COUNTRY/OFFICE: USAID THAILAND

Project List (Project No. & Title)	Last Eval Completed (Mo./Yr.)	FY 1984 Start (Qtr)	FY 1984 To AID/W (Qtr)	FY 1985 Start (Qtr)	FY 1985 To AID/W (Qtr)	Reasons/Issues	Funding Source	Funding ($000)	USAID Person Days	Collateral AID/W Assistance
1. 0312 N.E. Small Scale Irrigation	-	1st	2nd			Evaluation for redesign of project. PACD:8/25/85	Project	75	30	Assist in arrangements for U.S. team members. Assist in design of scopes-of-work.
2. Central Funded Ag Research	-	2nd	3rd			A review of centrally-funded activities to assess success of research methodology transfers and the degree to which objectives can be accomplished by centrally-funded approach.	PDS	75	30	Assist in arrangements for U.S. team members. Assist in design of scopes-of-work.
3. 0315 Decentralized Dev. Mgmt. Planning	-	3rd	4th			Relates to future program strategy interests in rural development policy. PACD: 8/31/86	Project	30	30	Assist in arrangements for U.S. team members. Assist in design of scopes-of-work.
4. 0289 Land Settlements	-	4th	4th			To assess impact on as well as beneficiaries, analysis of techniques to extend agricultural information to the village level. PACD: 8/31/84	Project	25	45	Assist in arrangements for U.S. team members. Assist in design of scopes-of-work.

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

COUNTRY/OFFICE: USAID THAILAND

Project List (Project No. & Title)	Last Eval Completed (Mo./Yr.)	FY 1984 Start (Qtr)	FY 1984 To AID/W (Qtr)	FY 1985 Start (Qtr)	FY 1985 To AID/W (Qtr)	Reasons/Issues	Funding Source	Funding ($000)	USAID Person Days	Collateral AID/W Assistance
1. 0326 Seed Dev. II	-			1st	2nd	Assess trends of success of project interventions, particularly impact of project on developing demand for improved quality seeds and reaction of private sector seed industry to RTG activities in this sector. PACD: 6/1/87	Project	50	30	Assist in arrangements for U.S. team members. Assist in design of scopes-of-work.
2. 0308 NE Rainfed Agriculture	-			2nd	3rd	Assess mid-term trends of success of project interventions particularly village based research, adaptation and transfer of technology at farm level. PACD: 8/31/88	Project	60	45	Assist in arrangements for U.S. team members. Assist in design of scopes-of-work.
3. 0324 Population II and Central Funded Family Planning Activities	-			3rd	4th	Sector review to examine possible future trends of assistance. PACD: 6/30/87	Project and Central Funds	75	30	Assist in arrangements for U.S. team members. Assist in design of scopes-of-work.
4. 0329 Private Sector in Dev. and relevant PRE central projects.	-			4th	4th	Initial assessment of trends of improving institutional effectiveness in promotion of private sector investment in development. PACD: 5/13/88	Project	40	30	Assist in arrangements for U.S. team members. Assist in design of scopes-of-work.

FY 84-85 EVALUATION PLAN
USAID/THAILAND

TABLE VII - ISSUES NARRATIVE

A. Evaluation Framework - FY 84/85

Since the evaluation planning period corresponds with a markedly-altered strategy for USAID/Thailand, the Mission is linking most FY 84/85 evaluations to the planned refinement of approaches to development of Thailand as a newly emerging middle income country. However, as pointed out in last year's Mission Evaluation Plan, the FY 83/84 period also covers the years in which the bulk of projects, initiated in the FY 79/80 program build-up, will be reaching maturity. Therefore, some of these projects, reflecting program elements of previous strategies, will be evaluated to assess final project impact and record experiences that may be useful in Thailand for other donors or have applicability elsewhere in AID.

The following is a schedule of planned evaluations of Mission projects by sector, with a discussion of major issues/questions integral to the main features of the Mission's anticipated country development strategy. Evaluation of the health sector projects are also included as they were originally scheduled for FY 84 but were advanced to late FY83 in order to gather information in a more timely fashion for next years CDSS submission. The design and thrust of planned evaluations will provide Mission management with project experience and an information/data base which is directly related to the design of program elements within the themes of institution building, policy formulation, and technology transfer in Thailand.

B. Purpose and Scope of the FY 84-85 Project Evaluations

1. Health/Population Sector

An important program element of former country development strategies was the health sector. The evaluation of the projects in this sector, the Anti-Malaria Project and the Primary Health Care Extension Project, originally scheduled for FY 84 reviews, have been rescheduled to the third and fourth quarters of FY 83 in order to incorporate a general assessment of AID's past involvement in the health sector into the FY86 CDSS. The evaluations are to help the Mission determine if there is still scope for meaningful A.I.D. activities of a primarily qualitative nature in health. The Mission will conduct a general review of the health sector to determine what major problems still confront the RTG in this area.. Closely linked to a review of the health sector is an assessment of the population sector which will be reviewed in the following year(FY85), as outlined below.

2. Population Sector

It is generally accepted that the population program in Thailand has built up a highly successful institutional base within the framework of a progressive government policy environment. Family planning technologies and methodologies have successfully been accepted by the host government and applied with considerable success by public and private agencies.

Fertility reduction will be a continuing program element of high priority within the Mission's new strategy, at least in the medium term. The current project, Population II (493-0325), started in FY82, is funded with a $8.5 million grant and $9.9 million loan. The Mission, in FY85, plans to conduct a mid-term evaluation of this seven year project, as well as the centrally funded family planning activities. The major question which the Mission will be asking during this evaluation is what will be the Mission's future relationship with Thailand's population sector? In seeking answers to this question the Mission will assess the National Family Planning's program to determine whether there are any major unmet needs which still require donor assistance.

3. Agricultural Sector

USAID has had a long history of involvement in the agricultural sector. The Mission is in the process of redefining its relationship to this segment of the Thai economy. The main constraints in the agricultural sector in Thailand seem to emerge from the lack of institutional strength in the public sector and questionable government policies. Sufficient evidence is available to indicate that given proper marketing/pricing incentives and technology, the Thai farmer is very quick to react to opportunities which make economic sense. From extensive Mission experience it has been found that there are in-grown weaknesses in Thailand's agricultural institutions. Particularly noticable is an inability to closely relate research to farmers' needs and capabilities, and to subsequently extend that information. USAID's general approach in this sector will be to seek alternate institutional structures for adaptive research and extension of research results while at the same time seeking modes for increasing government understanding of the full range of Thailand's agricultural problems, from grower to consumer, encouraging the government to develop appropriate policies to allow full development of this essential sector.

In order to build on considerable past experience and adapt lessons learned to the Missions current themes, five projects in the agricultural sector are scheduled for evaluation in the FY 84-85 planning period. Project evaluations will emphasize: (a) how to increase the pool of technology available in Thailand, (b) how institutional alternatives for the creation and delivery of relevant agricultural technology can be made more effective, and (c) how to develop approaches for assisting in agriculture policy making processes.

The following is a description of each project and its potential contribution to the refinement of Mission strategy.

A. Land Settlements Project (493-0289)

The Land Settlements Project is a five year, $4.0 million loan project scheduled to end in December 1984. The Project has provided support to the Public Welfare Department in developing its service systems for improving the lives of people resettled on government lands by the Department, as well as people already living in these designated resettlement areas. The Project supports activities to distribute land, promote agriculture extension, and provide improved infrastructure to eight settlement sites in N.E. Thailand. The resettlement sites, averaging 25,000 people per site in 8 northeastern provinces, are highly representative of the problems of the poor residents of this region of Thailand. Six Peace Corps volunteers have worked in conjunction with this Project.

Khon Khaen University, under contract to the Mission with technical assistance from Bureau of the Census, has collected substantial baseline data on this project and the evaluation will assess end-of-project beneficiary impact and provide information on techniques of transfering agricultural information to farmers.

B. Evaluation of Centrally-Funded Collaborative Research Projects

Several centrally-funded activities will be selected for evaluation, such as the collaborative research agreement (CRSP's) for peanut production in Thailand. Under this CRSP, agreements have been worked out between North Carolina State University, University of Georgia and Texas A&M for scientists from these universities to carry out joint research efforts with Kasetsart University, Khon Kaen University, and the Department of Agriculture. Research topics include variety improvement, disease and pest resistance, symbiotic nitrogen fixation, storage and marketing problems etc. Another selected CRSP, with research activities related to inland fish ponds, will involve University of Michigan and Oregan State University. Additional activities will be selected for evaluation as required.

Major Questions/Issues - Because of the implications of the institutional relationships of these projects for future Mission planning, the Mission plans an assessment independent of any evaluation(s) planned by the AID/W managers. Major questions to be answered include (a) how have these projects improved the ability of Thailand research entities to conduct research?, (b) what is the timeframe for "pay-offs" in this type of research approach; has the time-lag been shortened by the project assistance?, (c) what type of experience is this project having in terms of transferring research to the farmer?, (d) should the Mission concentrate more of its staff resources on this type of activity in the future?

C. Northeast Rainfed Agricultural Development Project-(NERAD) (493-0308)

The NERAD project, started in FY82, is a fully-obligated seven year project with $6.3 million loan and $3.7 million grant components. The purpose of the project is to increase agricultural productivity and incomes for farmers dependent on rainfall for agricultural practices. The Mission is planning a mid-term evaluation for this project which will end in 1988.

Major Questions/Issues: The main question which the Mission will be asking concerning this project is what adapted rainfed agricultural technologies are showing promise and what new methods of technology diffusion can be learned from this project. The Mission will also be interested in indications of whether the RTG is accepting the results of the project and to what extent they are changing their approaches to extending agriculture information. The evaluation will focus on the institutional arrangements and coordination of various MOAC departments in farming systems research and extension.

D. Seeds II (493-0326).

This project is a follow-on to a previous project which was a successful start in expanding the RTG Seeds Department. The new project(Seeds II), with $8.0 million loan funding, has as its purpose support for the government's efforts to popularize improved seed varieties among farmers while concomitantly supporting private sector seed firms to meet the hoped-for rise in demand for high quality seed.

The Project started in FY82 and ending in FY87 will, at the time of the planned evaluation in FY 85, be in mid-stream of implementation. The major question to be answered concerning this project is the extent of success of project interventions in encouraging and assisting a steady increase in private sector investment in high quality seed multiplication for domestic marketing.

E. Northeast Small Scale Irrigation Project (NESSI) (493-0312)

NESSI, funded at $5.8 million loan and $2.8 million grant is in its third year of project implementation scheduled for completion in FY 86. The project was designed to improve utilization of small scale water resources for increased agricultural productivity. The purpose of the planned evaluation is to set out the problems this project is encountering and recommend specific steps which need to be taken to complete the necessary redesign of certain elements in order that this project can move ahead.

Major Questions/Issues: The major issue in this project, is (a) whether the present costs of the Royal Irrigation Department are too high to make the irrigation systems economically viable and (b) whether a more inexpensive but still cost-effective system can be found and adopted by the Royal Irrigation Department.

4. Rural Development Sector

A. Decentralized Development Management Project (DDMP) (493-0315) has $7.5 million loan and $3.1 million grant components. The project, approved in August 1981, will be in its 3rd year of implementation in FY 84 with a PACD of August 1986.

The purpose of DDMP is to support the RTG in building capacities to implement its policy commitment to a decentralized development process that places accountability for management of developmental programs at the sub-district level and responsibility for technical support and administrative coordination at the district level.

Major questions/issues: The major question which evaluation will examine is the extent to which project interventions have influenced national rural development policy decisions concerning the processes by which rural development is carried on in Thailand.

5. Private Sector

A. Private Sector in Development Project (493-0329).

The Private Sector Project ($3.5 million loan) signed in FY83, is scheduled for an initial evaluation in FY85 even though minimal impact related to project objectives are expected this early in project life. It is anticipated that there will be sufficient data to provide indications of the trends of success of the planned project interventions.

The Mission also plans to evaluate centrally funded PRE activities such as loan support to the Siam Commercial Bank for expanding loans to the rural agricultural sector and the grant to the Institute for Management and Education Thailand(IMET).

Major questions/Issues: The major question to be answered by the planned review of this project is to what extent technical assistance to the RTG's Board of Investment (BOI) has promoted interest in the private sector in investing in Thailand. This question also applies to the other project activities which are also meant to encourage investment through the institutionalization of private sector business groups, such as the Joint Agriculture Consultative Committee (JACC). These new private sector groupings are to interface with both government and private sector promoting increased busness activity in Thailand.

TABLE VIII - FY 1983

ORGANIZATION USAID/Thailand

EXPENSE CATEGORY	FUNCTION CODE	OBJECT CLASS	AID/W FUNDED	MISSION FUNDED	TOTAL BUDGET	UNITS
U.S. DIRECT HIRE	U100		1,508.1	356.6	1,864.7	xxxxx
U.S. CITIZENS BASIC PAY	U101	110	1,259.3		1,259.3	23.9
PT/TEMP U.S. BASIC PAY	U102	112	9.9		9.9	.6
DIFFERENTIAL PAY	U103	116	93.7		93.7	xxxxx
OTHER AID/W FUNDED O.C. 11	U104	119	15.3		15.3	xxxxx
OTHER MISSION FUNDED O.C 11	U105	119				xxxxx
EDUCATION ALLOWANCES	U106	126		74.5	74.5	33
RETIREMENT - U.S.	U107	120	88.1		88.1	xxxxx
LIVING ALLOWANCES	U108	128				xxxxx
OTHER AID/W FUNDED O.C. 12	U109	129	41.8		41.8	xxxxx
OTHER MISSION FUNDED O.C.12	U110	129		10.3	10.3	xxxxx
POST ASSIGNMENT - TRAVEL	U111	212		46.2	46.2	12
POST ASSIGNMENT - FREIGHT	U112	22		87.0	87.0	12
HOME LEAVE - TRAVEL	U113	212		81.0	81.0	16
HOME LEAVE - FREIGHT	U114	22		20.8	20.8	16
EDUCATION TRAVEL	U115	215		8.4	8.4	6
R AND R TRAVEL	U116	215		14.7	14.7	26
ALL OTHER CODE 215 TRAVEL	U117	215		13.7	13.7	9
FOREIGN NATIONAL DH	U200			959.7	959.7	xxxxx
BASIC PAY	U201	114		565.9	565.9	61.5
OVERTIME, HOLIDAY PAY	U202	115		24.8	24.8	3.1
ALL OTHER CODE 11 - FN	U203	119		13.5	13.5	xxxxx
ALL OTHER CODE 12 - FN	U204	129		135.6	135.6	xxxxx
BENEFITS FORMER FN PERS.	U205	13		219.9	219.9	xxxxx
CONTRACT PERSONNEL	U300			393.0	393.0	xxxxx
PASA TECHNICIANS	U301	258		73.7	73.7	1.0
U.S. PSC - SALARY/BENEFITS	U302	113		145.0	145.0	2.1
ALL OTHER U.S. PSC COSTS	U303	255				xxxxx
F.N. PSC - SALARY/BENEFITS	U304	113		174.3	174.3	18.2
ALL OTHER F.N. PSC COSTS	U305	255				xxxxx
HOUSING	U400			383.2	383.2	xxxxx
RENT	U401	235		232.9	232.9	24.2
UTILITIES	U402	235		91.3	91.3	xxxxx
RENOVATION AND MAINT.	U403	259		9.6	9.6	xxxxx
QUARTERS ALLOWANCE	U404	127		19.6	19.6	
PURCHASES RES. FURN/EQUIP.	U405	311		8.0	8.0	xxxxx
TRANS./FREIGHT - CODE 311	U406	22		1.3	1.3	xxxxx
SECURITY GUARD SERVICES	U407	254		16.4	16.4	xxxxx
OFFICIAL RESIDENCE ALLOW.	U408	254		.6	.6	xxxxx
REPRESENTATION ALLOWANCE	U409	252		3.5	3.5	xxxxx

TABLE VIII - FY 1983

ORGANIZATION USAID/Thailand

EXPENSE CATEGORY	FUNCTION CODE	OBJECT CLASS	AID/W FUNDED	MISSION FUNDED	TOTAL BUDGET	UNITS
OFFICE OPERATIONS	U500		22.0	707.5	729.5	xxxxx
RENT	U501	234		174.1	174.1	xxxxx
UTILITIES	U502	234		98.7	98.7	xxxxx
BUILDING MAINT./RENOV.	U503	259		17.5	17.5	xxxxx
OFFICE FURN./EQUIP.	U504	310		5.8	5.8	xxxxx
VEHICLES	U505	312				xxxxx
OTHER EQUIPMENT	U506	319				xxxxx
TRANSPORTATION/FREIGHT	U507	22				xxxxx
COMMUNICATIONS	U508	230		38.5	38.5	xxxxx
SECURITY GUARD SERVICES	U509	254		8.8	8.8	xxxxx
PRINTING	U510	24		3.0	3.0	xxxxx
RIG/II OPERATIONAL TRAVEL	U511	210		-	-	
SITE VISITS	U512	210		137.6	137.6	380
INFORMATION MEETINGS	U513	210		26.2	26.2	56
TRAINING ATTENDANCE	U514	210		12.1	12.1	3
CONFERENCE ATTENDANCE	U515	210		26.0	26.0	13
OTHER OPERATIONAL TRAVEL	U516	210				
SUPPLIES AND MATERIALS	U517	26		64.3	64.3	xxxxx
FAAS	U518	257	22.0		22.0	xxxxx
CONSULTING SVCS - CONT.	U519	259				xxxxx
MGT./PROF. SVCS. - CONT.	U520	259		91.9	91.9	xxxxx
SPEC. STUDIES/ANALYSES CONT.	U521	259				xxxxx
ALL OTHER CODE 25	U522	259		3.0	3.0	xxxxx
TOTAL O.E. BUDGET			1,530.1	2,800.0	4,330.1	xxxxx
RECONCILIATION					1,530.1	xxxxx
OPERATING ALLOWANCE REQUEST				2,800.0	2,800.0	xxxxx

OTHER INFORMATION:

Dollar requirement for local currency costs 2,117.7

Exchange rate used (as of May 1, 1983) ฿20.0 = US $1.00

TABLE VIII - FY 1984

ORGANIZATION USAID/Thailand

EXPENSE CATEGORY	FUNCTION CODE	OBJECT CLASS	AID/W FUNDED	MISSION FUNDED	TOTAL BUDGET	UNITS
U.S. DIRECT HIRE	U100		1,527.2	369.3	1,896.5	xxxxx
U.S. CITIZENS BASIC PAY	U101	110	1,255.1		1,255.1	23.3
PT/TEMP U.S. BASIC PAY	U102	112	12.3		12.3	.8
DIFFERENTIAL PAY	U103	116	118.0		118.0	xxxxx
OTHER AID/W FUNDED O.C. 11	U104	119	15.6		15.6	xxxxx
OTHER MISSION FUNDED O.C 11	U105	119				xxxxx
EDUCATION ALLOWANCES	U106	126		133.3	133.3	37
RETIREMENT - U.S.	U107	120	87.9		87.9	xxxxx
LIVING ALLOWANCES	U108	128				xxxxx
OTHER AID/W FUNDED O.C. 12	U109	129	38.3		38.3	xxxxx
OTHER MISSION FUNDED O.C.12	U110	129		4.5	4.5	xxxxx
POST ASSIGNMENT TRAVEL	U111	212		31.5	31.5	6
POST ASSIGNMENT - FREIGHT	U112	22		67.5	67.5	6
HOME LEAVE - TRAVEL	U113	212		54.0	54.0	14
HOME LEAVE - FREIGHT	U114	22		16.2	16.2	14
EDUCATION TRAVEL	U115	215		12.0	12.0	8
R AND R TRAVEL	U116	215		32.3	32.3	37
ALL OTHER CODE 215 TRAVEL	U117	215		18.0	18.0	12
FOREIGN NATIONAL DH	U200			854.8	854.8	xxxxx
BASIC PAY	U201	114		575.4	575.4	54.1
OVERTIME, HOLIDAY PAY	U202	115		26.8	26.8	3.0
ALL OTHER CODE 11 - FN	U203	119		5.9	5.9	xxxxx
ALL OTHER CODE 12 - FN	U204	129		144.9	144.9	xxxxx
BENEFITS FORMER FN PERS.	U205	13		101.8	101.8	xxxxx
CONTRACT PERSONNEL	U300			412.3	412.3	xxxxx
PASA TECHNICIANS	U301	258		81.1	81.1	1.0
U.S. PSC - SALARY/BENEFITS	U302	113		141.5	141.5	2.0
ALL OTHER U.S. PSC COSTS	U303	255				xxxxx
F.N. PSC - SALARY/BENEFITS	U304	113		189.7	189.7	16.5
ALL OTHER F.N. PSC COSTS	U305	255				xxxxx
HOUSING	U400			477.7	477.7	xxxxx
RENT	U401	235		308.2	308.2	28.5
UTILITIES	U402	235		103.5	103.5	xxxxx
RENOVATION AND MAINT.	U403	259		11.5	11.5	xxxxx
QUARTERS ALLOWANCE	U404	127				
PURCHASES RES. FURN/EQUIP.	U405	311		25.5	25.5	xxxxx
TRANS./FREIGHT - CODE 311	U406	22		4.7	4.7	xxxxx
SECURITY GUARD SERVICES	U407	254		20.2	20.2	xxxxx
OFFICIAL RESIDENCE ALLOW.	U408	254		0.6	0.6	xxxxx
REPRESENTATION ALLOWANCE	U409	252		3.5	3.5	xxxxx

TABLE VIII - FY 1984

ORGANIZATION USAID/Thailand

EXPENSE CATEGORY	FUNCTION CODE	OBJECT CLASS	AID/W FUNDED	MISSION FUNDED	TOTAL BUDGET	UNITS
OFFICE OPERATIONS	U500		25.0	1,163.4	1,188.4	xxxxx
RENT	U501	234		200.2	200.2	xxxxx
UTILITIES	U502	234		103.6	103.6	xxxxx
BUILDING MAINT./RENOV.	U503	259		19.3	19.3	xxxxx
OFFICE FURN./EQUIP.	U504	310		346.3	346.3	xxxxx
VEHICLES	U505	312		18.7	18.7	xxxxx
OTHER EQUIPMENT	U506	319				xxxxx
TRANSPORTATION/FREIGHT	U507	22		11.3	11.3	xxxxx
COMMUNICATIONS	U508	230		40.1	40.1	xxxxx
SECURITY GUARD SERVICES	U509	254		9.7	9.7	xxxxx
PRINTING	U510	24		3.0	3.0	xxxxx
RIG/II OPERATIONAL TRAVEL	U511	210				
SITE VISITS	U512	210		151.4	151.4	390
INFORMATION MEETINGS	U513	210		28.8	28.8	52
TRAINING ATTENDANCE	U514	210		14.0	14.0	4
CONFERENCE ATTENDANCE	U515	210		28.6	28.6	12
OTHER OPERATIONAL TRAVEL	U516	210				
SUPPLIES AND MATERIALS	U517	26		70.7	70.7	xxxxx
FAAS	U518	257	25.0		25.0	xxxxx
CONSULTING SVCS - CONT.	U519	259				xxxxx
MGT./PROF. SVCS. - CONT.	U520	259		114.2	114.2	xxxxx
SPEC. STUDIES/ANALYSES CONT.	U521	259				xxxxx
ALL OTHER CODE 25	U522	259		3.5	3.5	xxxxx
TOTAL O.E. BUDGET			1,552.2	3,277.5	4,829.7	xxxxx
RECONCILIATION					1,552.2	xxxxx
OPERATING ALLOWANCE REQUEST				3,277.5	3,277.5	xxxxx

OTHER INFORMATION:

Dollar requirement for local currency costs	2,239.9
Exchange rate used (as of May 1, 1983)	B23.0 = US $1.00
Estimated Wage Increases - FY 1983 to FY 1984	8.3%
Estimated Price Increases - FY 1983 to FY 1984	5 - 10%

TABLE VIII - FY 1985

ORGANIZATION USAID/Thailand

EXPENSE CATEGORY	FUNCTION CODE	OBJECT CLASS	AID/W FUNDED	MISSION FUNDED	TOTAL BUDGET	UNITS
U.S. DIRECT HIRE	U100		1,467.3	490.1	1,957.4	xxxxx
U.S. CITIZENS BASIC PAY	U101	110	1,212.9		1,212.9	22.1
PT/TEMP U.S. BASIC PAY	U102	112	13.2		13.2	.8
DIFFERENTIAL PAY	U103	116	110.9		110.9	xxxxx
OTHER AID/W FUNDED O.C. 11	U104	119	9.0		9.0	xxxxx
OTHER MISSION FUNDED O.C 11	U105	119				xxxxx
EDUCATION ALLOWANCES	U106	126		165.0	165.0	45
RETIREMENT - U.S.	U107	120	84.9		84.9	xxxxx
LIVING ALLOWANCES	U108	128				xxxxx
OTHER AID/W FUNDED O.C. 12	U109	129	36.4		36.4	xxxxx
OTHER MISSION FUNDED O.C.12	U110	129		12.0	12.0	xxxxx
POST ASSIGNMENT - TRAVEL	U111	212		79.5	79.5	14
POST ASSIGNMENT - FREIGHT	U112	22		119.7	119.7	14
HOME LEAVE - TRAVEL	U113	212		47.3	47.3	14
HOME LEAVE - FREIGHT	U114	22		17.0	17.0	14
EDUCATION TRAVEL	U115	215		12.0	12.0	8
R AND R TRAVEL	U116	215		17.6	17.6	16
ALL OTHER CODE 215 TRAVEL	U117	215		20.0	20.0	12
FOREIGN NATIONAL DH	U200			896.3	896.3	xxxxx
BASIC PAY	U201	114		627.3	627.3	51.1
OVERTIME, HOLIDAY PAY	U202	115		30.3	30.3	3.0
ALL OTHER CODE 11 - FN	U203	119		5.5	5.5	xxxxx
ALL OTHER CODE 12 - FN	U204	129		158.2	158.2	xxxxx
BENEFITS FORMER FN PERS.	U205	13		75.0	75.0	xxxxx
CONTRACT PERSONNEL	U300			433.9	433.9	xxxxx
PASA TECHNICIANS	U301	258		89.2	89.2	1.0
U.S. PSC - SALARY/BENEFITS	U302	113		148.6	148.6	2.0
ALL OTHER U.S. PSC COSTS	U303	255				xxxxx
F.N. PSC - SALARY/BENEFITS	U304	113		196.1	196.1	18.0
ALL OTHER F.N. PSC COSTS	U305	255				xxxxx
HOUSING	U400			484.7	484.7	xxxxx
RENT	U401	235		324.7	324.7	27.0
UTILITIES	U402	235		103.6	103.6	xxxxx
RENOVATION AND MAINT.	U403	259		12.0	12.0	xxxxx
QUARTERS ALLOWANCE	U404	127				
PURCHASES RES. FURN/EQUIP.	U405	311		16.6	16.6	xxxxx
TRANS./FREIGHT - CODE 311	U406	22		1.5	1.5	xxxxx
SECURITY GUARD SERVICES	U407	254		22.2	22.2	xxxxx
OFFICIAL RESIDENCE ALLOW.	U408	254		0.6	0.6	xxxxx
REPRESENTATION ALLOWANCE	U409	252		3.5	3.5	xxxxx

TABLE VIII - FY 1985

ORGANIZATION USAID/Thailand

EXPENSE CATEGORY	FUNCTION CODE	OBJECT CLASS	AID/W FUNDED	MISSION FUNDED	TOTAL BUDGET	UNITS
OFFICE OPERATIONS	U500		25.0	873.8	898.8	xxxxx
RENT	U501	234		200.5	200.5	xxxxx
UTILITIES	U502	234		108.8	108.8	xxxxx
BUILDING MAINT./RENOV.	U503	259		21.2	21.2	xxxxx
OFFICE FURN./EQUIP.	U504	310		20.2	20.2	xxxxx
VEHICLES	U505	312		9.0	9.0	xxxxx
OTHER EQUIPMENT	U506	319				xxxxx
TRANSPORTATION/FREIGHT	U507	22		5.8	5.8	xxxxx
COMMUNICATIONS	U508	230		44.1	44.1	xxxxx
SECURITY GUARD SERVICES	U509	254		10.7	10.7	xxxxx
PRINTING	U510	24		3.0	3.0	xxxxx
RIG/II OPERATIONAL TRAVEL	U511	210				
SITE VISITS	U512	210		166.5	166.5	370
INFORMATION MEETINGS	U513	210		31.7	31.7	50
TRAINING ATTENDANCE	U514	210		15.0	15.0	3
CONFERENCE ATTENDANCE	U515	210		31.5	31.5	13
OTHER OPERATIONAL TRAVEL	U516	210				
SUPPLIES AND MATERIALS	U517	26		77.7	77.7	xxxxx
FAAS	U518	257	25.0		25.0	xxxxx
CONSULTING SVCS - CONT.	U519	259				xxxxx
MGT./PROF. SVCS. - CONT.	U520	259		124.1	124.1	xxxxx
SPEC. STUDIES/ANALYSES CONT.	U521	259				xxxxx
ALL OTHER CODE 25	U522	259		4.0	4.0	xxxxx
TOTAL O.E. BUDGET			1,492.3	3,178.8	4,671.1	xxxxx
RECONCILIATION					1,492.3	xxxxx
OPERATING ALLOWANCE REQUEST				3,178.8	3,178.8	xxxxx

OTHER INFORMATION:

Dollar requirement for local currency costs	2,405.6
Exchange rate used (as of May 1, 1983)	B23.00 = US $1.00
Estimated Wage Increases - FY 1984 to FY 1985	8%
Estimated Price Increases - FY 1984 to FY 1985	5-10%

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

	Fiscal Year 1983	1984	1985
A. Capital Investments			
1. Purchase of ADP Equipment		$175,000	
2. Purchase of Software			$ 5,000
Subtotal		$175,000	$ 5,000
B. Personnel			
1. Compensation, Benefits, Travel		$ 30,000	$ 27,000
2. Workyears		1.7	1.1
Subtotal		$ 30,000	$ 27,000
C. Equipment Rental and Other Operating Costs			
1. ADP Equipment (ADPE) Rentals		$ 5,000	$ 10,000
2. Supplies and Leased Software			
Subtotal		$ 5,000	$ 10,000
D. Commercial Services			
1. ADP Service Bureau			
2. Systems Analysis and Programming			
3. ADPE Maintenance (If separate from item C.1.)			
Subtotal		-0-	-0-
E. Total Obligations (A-D)		$210,000	$ 42,000
F. Interagency Services			
1. Payments			
2. Offsetting Collections			
Subtotal			
G. Grand Total (E+F)		$210,000	$ 42,000
Amount included in Mission allowance for existing systems			
Amount included in Mission allowance for ~~new/expanded~~ systems		$210,000	$ 42,000

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

	Fiscal Year 1983	1984	1985
A. Capital Investments in W/P Equipment			
B. W/P Equipment Rental and Supplies			
C. Other W/P Costs (Supplies)	$4,000	$4,000	-
Total	$4,000	$4,000	-
Amount included in Mission allowance for existing system	$4,000	$4,000	-
Amount included in Mission allowance for new/expanded systems			

Zero budget in FY 85 assumes that word processing will be done on WANG VS-80 Computer and supplies for this work are budgeted in ADP systems calculations.

TABLE IX(c) - JOINT CAREER CORPS

FY 1984

ORGANIZATION _____

EXPENSE CATEGORY	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
JOINT CAREER CORPS	210.2			xxxxx
BASIC PAY	120.2			2.0
DIFFERENTIAL PAY	12.0			xxxxx
EDUCATION ALLOWANCES	20.6			4.0
RETIREMENT	8.4			xxxxx
LIVING ALLOWANCES				xxxxx
OTHER SALARIES/BENEFITS				xxxxx
POST ASSIGNMENT - TRAVEL	5.2			2.0
POST ASSIGNMENT - FREIGHT	11.8			2.0
HOME LEAVE - TRAVEL	26.0			
HOME LEAVE - FREIGHT				
EDUCATION TRAVEL				
R AND R TRAVEL	6.0			8.0
ALL OTHER CODE 215 TRAVEL				
HOUSING	71.6			xxxxx
RENT	25.0			2.0
UTILITIES	9.6			xxxxx
RENOVATION AND MAINT.	.6			xxxxx
QUARTERS ALLOWANCE				
PURCHASES RES. FURN/EQUIP.	34.4			xxxxx
TRANS./FREIGHT - CODE 311				xxxxx
SECURITY GUARD SERVICES	2.0			xxxxx
OFFICE OPERATIONS	-0-			xxxxx
OFFICE FURN./EQUIP				xxxxx
VEHICLES				xxxxx
OTHER EQUIPMENT				xxxxx
TRANSPORTATION/FREIGHT				xxxxx
SITE VISITS				
INFORMATION MEETINGS				
TRAINING ATTENDANCE				
CONFERENCE ATTENDANCE				
OTHER OPERATIONAL TRAVEL				
SUPPLIES AND MATERIALS				xxxxx
ALL OTHER COSTS				xxxxx
TOTAL O.E. BUDGET	281.8			xxxxx

TABLE IX(c) - JOINT CAREER CORPS

FY 1985

ORGANIZATION _____

EXPENSE CATEGORY	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
JOINT CAREER CORPS	212.3			XXXXX
BASIC PAY	126.2			2.0
DIFFERENTIAL PAY	6.3			XXXXX
EDUCATION ALLOWANCES	17.4			4.0
RETIREMENT	8.8			XXXXX
LIVING ALLOWANCES				XXXXX
OTHER SALARIES/BENEFITS	12.8			XXXXX
POST ASSIGNMENT - TRAVEL	12.2			
POST ASSIGNMENT - FREIGHT	28.6			
HOME LEAVE - TRAVEL				
HOME LEAVE - FREIGHT				
EDUCATION TRAVEL				
R AND R TRAVEL				
ALL OTHER CODE 215 TRAVEL				
HOUSING	37.2			XXXXX
RENT	25.0			
UTILITIES	9.6			XXXXX
RENOVATION AND MAINT.	.6			XXXXX
QUARTERS ALLOWANCE				
PURCHASES RES. FURN/EQUIP.				XXXXX
TRANS./FREIGHT - CODE 311				XXXXX
SECURITY GUARD SERVICES	2.0			XXXXX
OFFICE OPERATIONS				XXXXX
OFFICE FURN./EQUIP				XXXXX
VEHICLES				XXXXX
OTHER EQUIPMENT				XXXXX
TRANSPORTATION/FREIGHT				XXXXX
SITE VISITS				
INFORMATION MEETINGS				
TRAINING ATTENDANCE				
CONFERENCE ATTENDANCE				
OTHER OPERATIONAL TRAVEL				
SUPPLIES AND MATERIALS				XXXXX
ALL OTHER COSTS				XXXXX
TOTAL O.E. BUDGET	249.5			XXXXX

TABLE VIII - Operating Expenses Narrative

SECTION A. - MANAGEMENT IMPROVEMENTS:

Mission management's efforts relative to operational savings or efficiencies have focused on (1) project implementation; (2) improving the collection, presentation and dissemination of project financial reports and operating expense information and (3) improving its internal control and houskeeping operation. These efforts were not primarily directed to cost savings per se but were linked to AID's directive to "do more with less" and a continuing effort to improve control of Mission operations without adding additional work or paper. Our ultimate goal is directed toward concentrating our staff time on substantive tasks, and eliminating marginally productive work and reducing repetitious but time-consuming tasks.

The Mission Director requested a committee chaired by the Director of O/PES to recommend changes in Mission procedures to streamline project implementation. The committee report dated April 20, 1983 suggested numerous changes primarily in the area of procurement which are in process of being implemented. Attached is a brief synopsis of some of the recommendations.

In the area of improving financial management, the Controller used the newly acquired Wang WP equipment to supply Mission management and project officers with timely, detailed financial reports. With such information, all elements of the Mission can better focus on project financial status and follow-up on specific implementation problems.

With the installation of a WANG VS-80 Computer and the planned use of the AID/W-developed Mission Accounting and Control System (MACS), more detailed financial reports will become available to project officers and Mission management. The role of Controller personnel will shift from record keeping to detailed analysis of on-going projects, availability for accounting and financing reviews prior to project authorization, and a greater advisory role to RTG agencies. The advent of the computer will not reduce Controller personnel but it will free Controller and other Mission personnel to fill a more substantive role in Mission management.

Although Mission management assessed Mission procedures and controls to be excellent in response to AID/W's query about "Internal Control Vulnerability", it realized that several areas could be improved and has established them as priority areas of study. For example, Mission Orders needed to be updated. As of May 15, 1983 all Mission Orders have been reviewed, revised, eliminated or reissued so that they reflect current Mission policy and are consistent with Agency/Embassy and U.S. Government policy. In addition futher reviews are in progress to document various RTG financial procedures which affect the way AID processes payments to the RTG. The Mission's effort is (a) to document current RTG procedure(s); (b) determine the degree of vulnerability posed by these procedures; and (c) take action necessary to streamline the procedure(s) or to add control features to reduce the risk of loss consistent with good operating experience. This is an ongoing effort to balance good internal control with the need to speed up, eliminate or reduce paperwork.

During FY 83, we have reviewed Mission housekeeping operations and instituted procedural changes to make more effective use of personnel's time and eliminate procedures that were outdated. Examples were to (a) allocate overtime hours per quarter to each office and monitor the hours worked against the allocation in lieu of approving each overtime request; (b) redesign of the accommodation exchange register to eliminate the need to photocopy checks before deposit to USDO account; and (c) omit typing and mailing transmittal letters with checks to payees, a procedure which served no useful purpose since the copy was not being returned to the Cashier.

For FY 1984 and 1985, our efforts will be concentrated on project implementation and financial analysis. Reviews of various operations including RTG procedures, with their approval, will be undertaken. We expect to make progress in getting higher level work from AID personnel while reducing the time devoted to routine but necessary work by using the computer and by streamlining our procedures where we can.

Recommendations - Project Implementation

Procurement

(1) Shelf item procurement should be the exception rather than the rule in future project design and implementaion.

(2) Off shore procurement action should be initiated as soon as possible in new projects. Preparation and reaching agreement on scopes of work, IFBs and etc. should be encouraged prior to authorization.

(3) Projects should be designed to permit categorical approval, when possible, of implementing agency financial, procurement and implementation plans (annual or LOP) so as to preclude the necessity for redundant USAID approval of individual actions. Due concern must, however, be given to assure adequate quality control on engineering and construction projects.

(4) Use of PIO/Cs for commodity procurement should be eliminated.

(5) Small value procurement and/or other informal bidding procedures should be instituted and encouraged whenever procurements are $100,00 or less.

(6) Use of Mission issued Direct Letters of Commitment should be limited to $5,000 and above per letter.

(7) Standard Form IFBs/Contracts should be developed, agreed upon and used to the maximum extent possible.

TABLE VIII - Operating Expenses Narrative

ORGANIZATION: USAID/Thailand

SECTION B:

The following table shows the dollar and percentage changes by operating expense category for FY-84 in comparison to FY-83 and FY-85 in comparison to FY-84. Where a cost increases or decreases by 10% or more, an explanation is given beneath the table.

Expense Category	FY-1983	FY-1984	Diff.	Per Cent	FY-1985	Diff.	Per Cent
U.S. Direct Hire	1,864.7	1,896.5	31.8	1.7	1,957.4	60.9	3.2
F.N. Direct Hire	959.7	854.8	(104.9)	(11.0) 1/	896.3	41.5	4.9
Contract Personnel	393.0	412.3	19.3	4.9	433.9	(21.6)	(5.2)
Housing Expenses	383.2	477.7	94.5	24.7 2/	484.7	(7.0)	(1.5)
Office Expenses	729.5	1,188.4	458.9	62.9 3/	898.8	(289.6)	(24.4) 4/
Total O. E.	4,330.1	4,829.7	499.6	11.5	4,671.1	(158.6)	(3.3)

1/ Decrease in severance payments to F.N. employees. FY-83 Severance payments total $219,900 paid because of a RIF and a disability retirement. In FY-84 severance payments have been budgeted for $101,800 for disability retirement and two voluntary resignations of long term employees.

2/ Increase of $75,300 due to an additional 4.3 lease years and a price increase in some rental housing. In FY-84 all AID employees will occupy government lease quarters; in FY-83 three employees were drawing living quarters allowance. In addition, $20,900 more has been budgeted in FY-84 for residential furniture/equipment than in FY-83.

3/ Primary cause for the increase is (a) purchase of a WANG VS 80 Computer for $175,000; (b) the installation of a new USAID telephone system for $149,600; (c) expected increase of $25,000 in office rent; and (d) purchase of two vehicles for $25,000 delayed from FY-83 budget.

4/ Decrease because computer and telephone equipment purchase was a one time procurement.

Word Processing Narrative:

USAID/Thailand has a recently-installed Mission-owned WANG OIS 130 Data Processing equipment. The following equipment is on hand as of May 15, 1983:

CPU:	Model 546A		
Disk Drive:	Model 6560		
Work Station:	Model 5536-4;	3	each
Work Station:	Model 5536-3;	4	each
Archiving Work Station:	Model 5506-2; 64K ..	3	each
Archiving Work Station:	Model 5506-2; 48K ..	1	each
Daisy Wheel Printer:	Model 6581-W;	4	each
Matrix Printer:	Model 5535, 180 CPS;	1	each

Currently, this equipment is heavily utilized by all offices of the Mission. For example, it is used to produce (a) the Controller's quarterly project financial accounting reports; (b) project papers; (c) CDSS/ABS/CP; (d) lengthy telegrams; and (e) workpapers for special reviews etc. Mission management is well satisfied with the WP equipment and the way it is being used. Indeed Mission personnel, Thai and American have readily accepted it because they realize it helps produce quality work with less effort.

Nineteen operators and eight users have been trained to use the equipment including three American U.S. direct hire personnel. Its inception and use has paved the way for the introduction of the WANG computer.

For the immediate future, the Mission will continue to use the WP equipment to the fullest extent possible. With the purchase of the WANG VS - with its combined data processing and word processing capability - the Mission will have to reassess if the WP equipment it has on hand is redundant. In that case, it would report that fact to Data Management, AID/W to determine where the excess WP could best be used.

Automatic Data Processing Narrative:

USAID/Thailand is presently using a WANG OIS 130A office information system. This system is used for (a) Controller financial reports; (b) project papers; (c) economic analyses; (d) telegrams; (e) lengthy memos; and (f) special review type workpapers. The system is in place. It is well-managed and Mission staff is well-trained in its use. Mission managment is very satisfied with the result of its effort to automate the Mission's office information systems.

The next logical step in the automation process is to procure, install and use a WANG 80 Computer for which the Mission has budgeted $175,000 for its purchase in FY 84. The Mission's most immediate use for the computer will be in the financial management of projects and control of operating expenses. This effort will be spearheaded by the use of the AID/W-developed computer program entitled "Mission Accounting and Control System (MACS)". This program generates a wide variety of managerial accounting reports to enable Mission management and project offficers to better monitor project implementation and operating expenses.

If the computer is installed early enough in FY 84 or late in FY 83 (pending fund availability), an intense effort will be made to put all FY 84 accounting and reports on the computer consistent with good internal control.

While the Controller's Office is engaged in this effort, other Mission offices will also be determining how they can best utilize the computer. For example, the Executive Office will undoubtly want to put its property records, personnel information, Mission leased housing, library records, etc. on the computer. The Program Office is likely to want to store ABS and CP information and prepare economic and demographic analyses for the CDSS and project designs.

The Mission envisions FY 84 as a year of high activity to (a) ensure the computer is fully operational; (b) determine that Mission offices (particularly the Controller's Office) have developed adequate internal controls within the system to ensure that computer output is valid; (c) investigate what "canned programs" available fit the needs of the user and to determine what programs need to be written and by whom; (d) provide for the training of Mission personnel in the use of the computer; and (e) decide what to switch from Word Processing on the WANG OIS 130A to Word Processing on the computer and what to do with the excess equipment .

As stated above, the Mission faces an interesting, busy and challenging FY 84 in its ADP future. Mission management believes the computer presents this Mission and others worldwide with the opportunity to better utilize and challenge the talents of its staff, to gain more control of its projects and expenses, and to free its personnel from paperwork to concentrate on more meaningful and rewarding work.

FY 85 should find the Mission reviewing the work already accomplished and deciding what other applications can be made to existing procedures to get maximum utilization of the computer consistent with the input effort.