

UNCLASSIFIED

Annual Budget Submission

FY 1985

Burma



JUNE 1983

**Agency for International Development
Washington, D.C. 20523**

UNCLASSIFIED

AID/BURMA
FY 1985 ANNUAL BUDGET SUBMISSION

Table of Contents

- 1. Mission Action Plan for FY's 1984 and 1985
- 2. Table I
 - Long-Range Plan by Appropriation Account
 - Narrative
- 3. Table III
 - Project Obligations by Appropriation Account
- 4. Table IV
 - Project Budget Data
 - New Project Narrative: Agriculture Research and Planning
- 5. Table V
 - FY 1985 Proposed Project Ranking
 - Narrative
- 6. Table VII
 - List of Planned Evaluations
 - Narrative
- 7. Table VIII
 - Narrative: Operating Expenses
 - Automatic Data Processing (ADP)
- 8. Table IX
 - US Direct Hire Staffing
 - FN Direct Hire Staffing

Note: Tables II, VI, VIII(b), IX(c), X, XII and XIII are either not required or are optional. They are therefore not submitted in this ABS. A Markup of computerized Table IV is submitted under separate cover to PPC/PB/PIA

AID/BURMA ACTION PLAN FOR FY 1984-1985

The Country Development Strategy Statement (CDSS) for Burma was approved by AID/Washington on January 18, 1983. The AID/Burma program is focused on the agriculture and health sectors as well as on human resource development. The program and our assistance strategy are consistent with the Agency's priority emphases on policy dialogue, institution building, technology transfer and training. The private sector is also a concern which is being approached through patient policy dialogue.

Burma is a poor country (per capita GDP of \$170) but its commitment to equitable socio-economic development is well documented. For example, in Burma, the lowest 40 percent of income recipients share more than 20 percent of national income, perhaps the highest share in Asia. Growth of GDP from 1975 to 1981 averaged 5.9 percent, placing Burma near the top of the 10 Asia Bureau countries. Much of Burma's recent economic success is the result of remarkably high yields in rice production under the Whole Township Intensive Paddy Program, which has brought about more than a 50 percent increase in national production since 1976 and has thrust Burma once again into the role of major rice exporter. Burma is self-sufficient in staple foodstuffs except for edible oils. Other natural resources abound, including petroleum, gas, coal, timber, gems and fisheries, but they are difficult to exploit owing to a lack of investment and trained manpower and in some areas because of poor security.

Burma's social and physical infrastructure is badly in need of modernization. Population is growing at 2.4 percent each year, and while 67 percent of Burma's citizens are considered literate, only two of every 100 elementary school entrants advance to a university. Each year Burma graduates about 500 doctors plus 300 BSc agriculture graduates, of whom an estimated 50 percent and 66 percent respectively are women, who enjoy high status in Burmese society.

Burma is well poised for national development. Absorptive capacity for donor aid is high. Development line agencies and mass organizations reach down to the village level and encourage feedback from farmers and local citizens on priority programs and projects. The focal point for mobilizing resources for the development of Burma's rural areas is the Township, where AID-financed technical assistance, participant training and commodities are targeted to improve planning and implementation capabilities and to reach low-income rural families. AID's basic human needs mandate dovetails with Burmese socio-economic policies and with the Buddhist ethic of sacrifice, community service and voluntarism.

The AID/Burma program, the project, budget and work force requirements described in this FY 1985 ABS reflect priority Burmese development projects, the financial resources available to AID, and the objectives and strategies of the Asia Strategic Plan in agriculture, population/health/nutrition, education/human resources and energy. The AID/Burma program is welcome in Burma and it is cost-effective both for its nationwide impact and for its

low AID USDH management overhead. The program is only three years old and already it has achieved a reputation within the Burmese Government and the donor community for being innovative, well focused, and responsive.

The FY 1985-1989 ABS, particularly this FY 1984-85 Action Plan, continues to translate approved country-specific development goals and objectives, as embodied in the AID/Burma CDSS, into carefully designed projects of nationwide scope and beneficiary impact. The AID/Burma program meshes comfortably with the objectives and priorities of the Asia Strategic Plan.

Described below are the major actions AID/Burma will undertake in FY 1984 and FY 1985 to ensure effective implementation and management of a growing development assistance program in agriculture, health and human resource development. The possibility of AID assistance to the crop and income substitution aspects of the joint U.S./Burma anti-narcotics program is discussed in the Table I narrative.

The Health Sector

Consistent with the Asia Strategic Plan, our goal in the health sector is to reduce mortality, morbidity and undernutrition, particularly among infants and young mothers. The vehicle is the community-based, volunteer health worker program launched by the Burmese Government in 1978 to extend basic health services to Burma's 65,000 villages by 1990. In the health sector in FY 1984 and FY 1985 we will:

- Support the expansion of Burma's primary health care program. AID/Burma will provide a refined mix of technical assistance, participant training and commodities to the Department of Health for the Primary Health Care II project, which is designed to bring about improvements in:

- volunteer health worker training, supply and deployment;
- health information systems and research;
- project management and supervision; and
- family health counseling, a new dimension of primary health care.

By project completion in late 1986, 50 percent of Burma's villages will have at least one trained and equipped community health worker and nearly 100 percent of the country's 13,000 Village Tracts will have a Government midwife or a volunteer midwife. An additional 16,000 traditional birth attendants will be trained and returned to their villages throughout the country.

- Improve project management. In FY 1984 AID/Burma intends to contract with a single U.S. public health consultant firm or public institution to provide long-term and short-term in-country services and training for PHC II. Contracting with a single firm is considered a cost-effective and efficient way to improve health worker training design and curriculum, as well as health information services management. Under PHC I, four Burmese physicians were placed in Master's Degree programs in the United States but short-term training proved to be a problem. In PHC II, both long- and short-term training will be strengthened by the creation of a Participant Training Sub-Committee made up of AID/Burma and Department of Health staff. Overall management of the PHC II

project, particularly the careful monitoring of AID-financed inputs, will continue to be handled by the AID/Burma USDH Health Development Officer, assisted by the Project Implementation Committee.

- Carry out impact evaluation. In FY 1984 the Department of Health, AID/Burma and the Asia Bureau will conduct an end-of-project impact evaluation of the Primary Health Care I project. Together with the results of primary health care evaluative studies being carried out by the Burmese Department of Health and the Institute of Economics, the joint AID/DOH impact evaluation will address such basic questions as: a) project replicability and recurrent costs; b) reduction of morbidity and mortality; and c) the relative costs of preventive and curative health care.

- Continue a close dialogue with other donors such as UNICEF, WHO and the Australian Development Assistance Bureau (ADAB).

The Agriculture Sector

Our joint strategy in the agriculture sector is to increase food production. Specifically, AID/Burma is helping Burma become self-sufficient in edible oils, first by growing more oilseeds, that is, sesamum, groundnuts, sunflower and soybeans, and then, by upgrading the technical and managerial capacity of the cooperatives sector, to produce and distribute cooking oil. We respect the consensus reached during the January 1983 CDSS review that we are under no obligation to press for further crop diversification at this point in Burma's agricultural development. In fact, it is increasingly apparent that if Burma is to sustain its laudable record in rice production, and now maize and oilseeds, it must consolidate and place renewed emphasis on agriculture planning and research, irrigation management and watershed protection.

Since the submission of the CDSS we sense increased interest within the Burmese agricultural community for a comprehensive national agriculture planning and research improvement program. For these reasons, if funds are available, AID/Burma intends to move up Agriculture Research and Planning (482-0012) as the single new-start project in FY 1985, in place of the previously proposed Wheat Production Project. The start of Maize and Oilseeds Production II will be postponed until 1986.

The AID/Burma emphasis on the agriculture sector mirrors the Asia Strategic Plan's assessment of the crucial role of agriculture in Asian countries in sustaining over-all economic growth. Our limited manpower and financial resources will not permit a large portfolio of projects in the agriculture sector. There are, however, many donors willing to invest in Burma's agricultural future. Within the FY 1985-89 timeframe, our prime objectives in the agriculture sector are to bring Burma to self-sufficiency in edible oils and to reinforce research planning and management skills so that Burma can sustain its comparative advantage in food production.

Specifically, in FY 1984 and FY 1985 we will:

- Continue support for the Maize and Oilseeds Production Project (482-0005)
In FY 1984 and FY 1985 AID/Burma will provide the last tranches of funding scheduled for technical assistance, participant training and commodity inputs which will help Burma reach the following project area annual production targets by 1986:

- 166,000 MT of maize or an increase of 461 percent from the base year 1982/83;
- 23,000 MT of sesamum, an increase of 202 percent;
- 83,000 MT of groundnuts, an increase of 151 percent; and
- 31,000 MT of sunflower, an increase of 640 percent.

The production targets in the project area for the 1985-86 crop season for maize, groundnuts, sesame and sunflower are 80 percent, 11 percent, 13 percent and 44 percent, respectively, of total national production compared to the base year 1982-83. In addition, the project has targeted 20,000 acres of new soybean production.

- Negotiate and begin the Edible Oil Production and Distribution Project (482-0012). AID/Burma, in concert with the Asian Development Bank, will provide the technical assistance and commodity and training inputs that Burma requires to increase domestic production and distribution of cooking oil through the cooperatives sector. The project involves the introduction of solvent extraction technology to Burma. The United States has a comparative advantage in the solvent extraction process and in the design and installation of solvent extraction plants.

- With AID/Washington participation, examine and refine the AID/Burma agriculture sector assistance strategy.

- Design and negotiate an FY 1985 new-start project in Agriculture Research and Planning.

- Carry out an irrigation sector requirements study which can serve as a guide for the design of a new-start project in irrigation and watershed management in FY 1986.

- Continue a close dialogue with other donors such as the World Bank, ADB and Japan to coordinate inputs to Burma's agriculture sector and to identify candidate projects for collaboration and parallel financing.

- Carry out the mid-term evaluation of the Maize and Oilseeds Production Project.

Human Resources Development

Each of the projects in AID/Burma's portfolio contains large technical assistance and participant training components to increase Burmese Government

capabilities in design, management and evaluation of nationwide development programs. We will continue to provide the mix of AID direct-hire staff plus resident and short-term technical consultants that the Burmese Government prefers. We will also continue to offer participant training in the United States and neighboring countries in agriculture, health and energy. Specifically, in FY 1984 and FY 1985 we intend to:

- Send 30 participants under on-going projects for graduate degree programs in the agricultural sciences and public health in the United States and in Asian countries;

- Negotiate and sign a separate Development Training Project Agreement for \$1.0 million which will allow AID/Burma and the Burmese Government to expand the nucleus of trained agriculture and resource economists, planners, managers and administrators;

- Expand the number of participants in AID/W centrally funded programs in

- Energy Policy, Planning and Analysis
- Alternative Energy Development
- Conventional Energy Management

- Conduct additional in-country Project Design and Evaluation courses for host-country project management staff. The PD and E course was given successfully to 30 career employees of the Agriculture Corporation in FY 1983 and should be repeated each year.

- Send AID/Burma USDH and local staff to the Project Implementation, Analytical Skills and other in-service training courses whenever possible.

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

COUNTRY/OFFICE Burma

	FY 1983	FY 1984		FY 1985	PLANNING PERIOD			
	ESTIMATE	CP	ESTIMATE	AAPL	1986	1987	1988	1989
Agriculture, Rural Development & Nutrition								
Grants	8.6		9.0	14.1 ^{1/} (15.4)	12.5	13.3	14.2	14.5
Loans	-		-	-	-	-	-	-
Health								
Grants	5.1		3.0 ^{2/} (4.9)	1.9	-	-	-	-
Loans	-		-	-	-	-	-	-
Population								
Grants	-		-	-	5.0	5.0	5.0	7.5
Loans	-		-	-	-	-	-	-
Education & Human Resources								
Grants	.1		.5	-	.5	.7	.8	-
Loans	-		-	-	-	-	-	-
SUBTOTAL FUNCTIONAL ACCOUNTS								
Grants	13.8		12.5	16.0	18.0	19.0	20.0	22.0
Loans	-		-	-	-	-	-	-
Total DA Accounts	13.8		12.5	16.0	18.0	19.0	20.0	22.0
ESF (See Narrative)	-		-	-	-	-	-	-
Total DA & ESF	13.8		12.5 (14.4) ^{2/}	16.0 (17.3) ^{3/}	18.0	19.0	20.0	22.0
TOTAL PERSONNEL								
USDH (workyears)	5		5	5	6 ^{4/}	6	6	6
FNDH (workyears)	1		1	1	1	1	1	1
U.S. Part-time (workyears)	1		1	1	1	1	1	1

Table 1 - Footnotes

- 1/ The minimum ARDN level required in FY 1985 to accommodate a new-start Agriculture Research and Planning project (\$2.5 m.) as well as to meet funding requirements in Maize and Oilseeds Production (\$6.9 m.) and Edible Oil Production and Distribution (\$6.0 m.) is \$15.4 million, or \$1.3 million more than is available under the current AAPL.

- 2/ Forward-funding of an additional \$1.9 million in FY 1984 could provide some relief in FY 1985 and would help to accommodate our proposed new start in FY 1985 within the current AAPL.

- 3/ Without relief in either FY 1983 or FY 1984, a level of \$17.3 million is the minimum needed to consolidate on-going projects and to start a new project in Agriculture Research and Planning in FY 1985.

- 4/ Assumes that the IDI Agriculture Generalist will move into a regular USDH FTE position.

Table I - NARRATIVE

Program Profile and Funding Levels

This FY 1985 AID/Burma Annual Budget Submission confirms our intent to concentrate assistance on Burma's agriculture and health sectors and on human resource development. Our proposed program in FY 1985 is consistent with the approved AID/Burma CDSS and with the objectives of the Asia Strategic Plan. We may, however, be unable to carry out our entire proposed FY 1985 program unless we receive financial relief in the form of higher Approved Assistance Planning Levels (AAPL's) for either FY 1984 or FY 1985.

The latest AAPL's severely constrain the attainment of our objectives in the agriculture sector. In FY 1984, we have planned a single new-start project -- Edible Oil Production and Distribution -- and the current AAPL of \$12.5 million barely allows us to fund an initial tranche of \$2.0 million, plus fulfill our commitments to Primary Health Care II and Maize and Oilseeds Production, without violating ABS guidelines and causing a mortgaging problem. An FY 1984 AAPL of \$12.5 million also represents a departure from the annual modest increases in development assistance that we have received since the AID/Burma program was resumed in 1980; it means a decrease of \$1.3 million from our FY 1983 OYB of \$13.8 million which, we acknowledge, benefited from a "windfall" of \$1.2 million in the Health account.

We agree with the consensus reached by AID/Washington at the January 1983 CDSS Review that we should reconsider the inclusion of the proposed Wheat Production project in FY 1985. Discussion with Burmese agricultural experts now shows increased interest in agricultural research and planning, so we intend to accelerate the funding of the Agriculture Research and Planning project to FY 1985 in place of Wheat Production. But according to the ABS guidelines, we must avoid heavy mortgaging by funding at least the first 18 months of AID's total contribution to each new-start project in the first year. As shown in Table I, we have only \$14.1 million available in the ARDN account for FY 1985 when, in fact, we need \$15.4 million to accommodate on-going activities plus the new Agriculture Research and Planning Project. With only \$14.1 million in ARDN funds, we would be forced to start the new project with only \$1.2 million in hand, a violation of ABS funding guidelines. As it is, we have deferred a planned obligation of \$500,000 for Development Training II until FY 1986 in order to reach the \$1.2 million.

We will continue to limit our AID/Burma portfolio to projects of nationwide scope and beneficiary impact. Our Primary Health Care I and II, Maize and Oilseeds Production and Edible Oil Production and Distribution projects, for example, comfortably fit AID's mandate, and they are top priorities in Burma's development. We consider the proposed FY 1985 new-start Agriculture Research and Planning project to be of utmost importance to Burma's longer-range agricultural production. Burma has the potential to become a major exporter of rice and other food crops to food-deficit countries within the region, but agriculture research and planning must be strengthened, now, or Burma will not be able to sustain its comparative production advantage. We believe that an

AAPL of \$17.3 million in FY 1985 is justified and in our best long-term interest.

Other new projects tentatively proposed for FY 1986 to FY 1989 include Maize and Oilseeds Production II, Irrigation and Watershed Protection, Development Training III and Family Health Counseling I and II.

Mortgaging and Pipeline

To date AID/Burma has avoided heavy project mortgaging. Our FY 1984 new-start Edible Oil Production and Distribution project requires \$10.0 million over three fiscal years. The initial contribution of \$2.0 million in FY 1984 will allow us to commit funds for the technical assistance (including engineering work) and participant training components targeted to the Burmese Ministry of Cooperatives and to the cooperatives sector. The second funding increment of \$6.0 million in FY 1985 is for the procurement and erection of a pilot 50 MT/day solvent extraction plant, edible oil refinery and bottling facility which will be operated by the Ministry of Cooperatives as a training enterprise with AID-financed contract technical assistance. It would not be feasible to forward-fund the plant and refinery in FY 1984 -- even if DA funds were available -- since the site-specific design and negotiations with a U.S. supplier/manufacturer will not be complete, nor will enough trained Burmese technicians be available.

The Primary Health Care II project will be funded at \$10.0 million over the three-year period FY 1983 to FY 1985, but project implementation will extend to the end of the current Burmese People's Health Plan in 1986. We plan to continue our assistance to Burma's health sector in FY 1986 and beyond through the Family Health Counseling project which will most likely be funded from the Population Account.

The major mortgaging problem we face is how to fund the FY 1985 new-start Agriculture Research and Planning project at the current AAPL of \$16.0 million. Unless we get relief, we will be forced either to drop the proposed project -- and thereby forego a unique opportunity -- or to begin with only \$1.2 million of the \$2.5 million we need as the first tranche of a proposed \$10.0 million life-of-project commitment. We cannot trim our contributions to the Maize and Oilseeds Production or Edible Oil Production and Distribution projects as a way to "squeeze" out enough funds to cover the minimum needed for our FY 1985 new-start. We have already deferred funding for Development Training II until 1986. If, however, we could forward-fund either the PHC II or Maize and Oilseeds Production projects in FY 1983 or FY 1984, we would gain the relief needed to accommodate our new-start project within the current AAPL of \$16.0 million and within the prescribed ABS minimum.

Our latest project pipeline review forecasts no major problems, with the possible exception of Maize and Oilseeds Production for which we project expenditures of \$6.4 million in FY 1984 and \$9.0 million in FY 1985. We will monitor sub-obligations and accruals very carefully over the next few months in an effort to draw down funds and utilize project commodities, training and technical assistance as rapidly as possible. We foresee no major problem with PHC II although we must negotiate the expansion of warehouse facilities with the Ministry of Health to accommodate the commodity build-up funded in FY 1983.

We believe that the \$5.1 million funding increment for PHC II in FY 1983 is a positive way to stockpile health worker kits and other supplies for issuance to Burma's volunteer health workers immediately upon completion of pre-service training and before deployment to their home villages.

Economic Support Funds for Crop and Income Substitution

The FY 1984 ABS contained an illustrative scenario for the use of Economic Support Funds (ESF) to support a Burmese crop and income substitution program in Shan State:

"Economic Support Funds in support of narcotics control efforts in Burma could provide the source of incremental funding needed to advance our discussions with the SRUB while providing to some extent the necessary assurance that such a program would not be undertaken at the expense of whatever Development Assistance funding we might otherwise receive."

We believe, as we did last year, that the lack of a possible funding source is an impediment to advancing substantive discussions with the SRUB as to how AID can play a supportive role in the joint U.S. - Burma anti-narcotics program. We appreciate how tight ESF funds are within the Agency and we make no official request for such funds in this FY 1985 ABS. However, we will continue to encourage a dialogue within the interested donor community (UNFDAC, ADB, Japan) and with the SRUB to define an appropriate development intervention in Shan State which can help to reduce opium poppy cultivation at some future date.

We recognize that the security situation in much of Shan State and the lack of existing data on the resources of the region continue to cloud the issue of possible AID involvement in anti-narcotics efforts. We support the recent decision of the Burmese Government to utilize PL-480-origin kyat funds for the expansion of the Maize and Oilseeds Production project to include the Townships of Lashio and Nam San in Shan State as "extensive townships." Under the project, the two townships will receive a small increase in extension services and inputs for maize and oilseeds production but no AID dollar-funded inputs will be involved.

If security improves and the distinct possibility of launching a time-phased long-range development intervention in Shan State arises, we must be prepared to respond to a probable request for assistance from the Burmese Government. An agreement in principle that ESF can be used to fund an anti-narcotics development intervention in Shan State would bolster the chances of reaching consensus with the SRUB on a realistic program. The \$5.0 million "requested" in last year's ABS is still considered to be the absolute minimum required to maintain credibility in a dialogue with the Burmese. We believe also that the long-term costs of a crop and income substitution program in Shan State must be borne by more donors than just the United States. It is premature, however, to estimate the dimensions of the effort or the magnitude of funding that will be needed if an SRUB policy breakthrough occurs.

FY 1985 ANNUAL BUDGET SUBMISSION

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

		Country/Office <u>BURMA</u>		
<u>APPROPRIATION ACCOUNT</u>		<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>
<u>Agriculture, Rural Development and Nutrition</u>		<u>8,650</u>	<u>9,000</u>	<u>14,100</u> ^{1/} <u>(15,400)</u> ^{1/}
(482-0005)	Maize & Oilseeds Production	8,600	7,000	6,900
(482-0006)	Edible Oil Production & Distribution	-	2,000	6,000
(482-0012)	Agriculture Research & Planning	-	-	<u>1,200</u> <u>(2,500)</u> ^{1/}
(482-0003)	Development Training	.050		
<u>Health</u>		<u>5,100</u>	<u>3,000</u>	<u>1,900</u>
(482-0004)	Primary Health Care II	5,100	3,000	1,900
<u>Education & Human Resources</u>		<u>.050</u>	<u>.500</u>	<u>-</u>
(482-0003)	Development Training	.050	-	-
(482-0010)	Development Training II	-	.500	-
TOTAL		13,800	12,500	16,000 <u>(17,300)</u> ^{1/}

^{1/} the amount needed for a new-start project in FY 1985.

Table IV - Project Narrative

<u>Project Number and Title:</u>	Agriculture Research and Planning (482-0012)
<u>Life of Project Funding:</u>	\$10.0 million (G)
<u>FY 1985 Funding:</u>	\$2.5 million (G)
<u>Appropriation Account:</u>	Agriculture, Rural Development and Nutrition

Project Purpose: To provide the first phase of long-term U.S. support to strengthen Burma's agriculture research and planning capabilities, resulting in:

- the integration of agricultural research, planning and extension with emphasis on increased agricultural production through the adaptation and diffusion of a continuous stream of technical innovation suitable for immediate on-farm application;

- an expansion of Burma's agricultural research and planning manpower base, particularly in the agricultural sciences but also in irrigation and on-farm water management, watershed and natural resource protection, farming systems design and management, alternative energy development and bio-fertilizer production;

- improvements to Burma's Agriculture Research Institute and College of Agriculture at Yezin, the Agriculture Corporation's applied research facilities and the proposed Central Agricultural Training Center; and

- a computer-based agriculture and forestry data collection, analysis and dissemination capability within the Ministry of Agriculture and Forests, resulting in improved planning and allocation of sectoral investment.

Brief Description: Burma's agriculture and forest sector accounts for 27 percent of gross domestic product (GDP) and employs an estimated 53 percent of the labor force. Agricultural exports accounted for 58 percent of Burma's foreign exchange earnings in 1982. The principal FX earner is rice, with pulses, oilcake and rubber also important earners. Since 1976 Burma has had phenomenal success with its Whole Township High-Yield Paddy Production program, which has resulted in more than a 50 percent increase in aggregate national production since its inception in 1976. By selecting the 82 townships with the optimum soil, water and manpower conditions, and by concentrating a complete package of extension services, credit, inputs and marketing services, the Burmese Government has demonstrated that the results of agricultural research from premier institutions like IRRI can be adapted to suit local conditions and, when combined with a well-organized and technically qualified extension service, can have immediate impact on national production and individual farmer incomes. The same "selective/concentration" approach is now being used successfully for the AID-assisted Maize and Oilseeds Production project. Other food crop groups like pulses and beans, cereal grains and industrial plantation crops like cotton, rubber, coconut and oil palm are receiving priority emphasis.

Burma's agricultural manpower base supports a wide range of research, training and extension services in 14 States and Divisions. The Agriculture Corporation, for example, has 21,000 employees nationwide, of whom 17,000 are extension agents with at least a junior college certificate in agriculture. Burma produces annually some 300 BSc, 200 diploma graduates and 200 high school graduates in agriculture, of whom more than half are women. These agriculture graduates provide an ideal nucleus for a dedicated and convincing extension service. Most are from the rural areas and return to their home villages either as private citizen farmers or junior Government extension officers. Burma's population is considered to be 67 percent literate in reading, basic arithmetic and writing. Such high literacy is one reason for the successful interface between the Government's extension outreach and the country's farmers.

To support Burma's emphasis on increased agricultural production for domestic consumption and export there are only 45 graduate degree holders in the Agriculture Corporation, of whom 15 have PhD's in the agricultural sciences -- none more recently than 1980. They form the country's leadership in agriculture sector policy formulation research, planning, project design and management. Approximately 35 graduate degree holders are on the staff at the three Colleges of Agriculture situated in Yezin, Pyinmana, and Thaton.

Burma's agriculture sector leadership is competent, dedicated and practical, but most are overworked and many have been thrust into project management or administrative positions outside their particular graduate field. The number of graduate degree agricultural scientists actually working in applied or adaptive research in Burma today may be as few as 12. Of necessity most research trials and experiments are being conducted by BSc graduates or by technicians, often without the supervision of graduate degree holders. Much adaptive research currently under way has already been done in other countries and the results are readily available for immediate diffusion through the country's extension service. Scientific and technical innovations in agriculture, which are of almost immediate utility for Burma, are multiplying rapidly worldwide as developed and developing countries alike attempt to benefit from their respective comparative advantages in production, processing and export on an increasingly competitive world market.

In Burma the long-term factors of production in agriculture are positive. Burma has 25 million acres of arable land, of which 20 million acres are under cultivation but no more than 300,000 acres are irrigated in the dry season. Burma has vast irrigation potential but at present annual cropping intensity is estimated to be no higher than 121 percent. Burma's agricultural support infrastructure is in place but needs modernization. Many other donors are assisting Burma with large and medium-scale irrigation investment, agricultural inputs and the storage capacity needed to spur increased production and marketing.

To date, no comprehensive program has been designed to address Burma's agriculture sector research, planning and policy-making capability, which has become strained in recent years and which must be reinforced if the country is to maintain its comparative advantage in agricultural production and export on the world market. This project is proposed as the first phase of a long-range AID

commitment to work with the Burmese Ministry of Agriculture and Forests and with other interested donors such as Japan, to strengthen adaptive research, project planning and management, technology diffusion and natural resource protection.

This project is consistent with AID Policy Papers on "Food and Agricultural Development" and "Approaches to the Policy Dialogue" as well as being in conformity with the goals and objectives of the Asia Strategic Plan and the approved Country Development Strategy (CDSS) for Burma.

Specifically, the project will seek to assist Burma to develop increased competencies in adaptive research on food, industrial and plantation crops, irrigation and on-farm water management, watershed protection, farming systems including community tree farming, bio-mass energy conversion and bio-fertilizer production and distribution. AID funding inputs will include:

- technical assistance to Burma's Agriculture Research Institute, the Applied Research Division of the Agriculture Corporation and the proposed Central Agriculture Training Center which is also being supported by the Government of Japan (estimated at \$2.0 million);
- the participant training of 25 PhD graduates in the agricultural sciences and five PhD holders in agriculture and resource economics plus short- and medium-term training in research program management, computer operations and agriculture policy/planning and implementation (\$3.0 million);
- commodities for library development at A.R.I., the College of Agriculture, ARD, and the CATC, plus laboratory and meteorological equipment, proto-type machinery and improved seed processing and storage facilities (\$4.5 million); and;
- a series of joint studies on Burma's future agriculture sector development with emphasis on manpower development, irrigation and watershed management and natural resource protection (\$.5 million).

AID's initial funding increment in FY 1985 will be used for two large contracts, one for long- and short-term technical assistance and the second for the management of participant training at U.S. and Asian universities. Subsequent funding in FY's 1986 and 1987 will be for additional TA and training as well as for commodities and physical improvements slated for Burma's agriculture research, education and extension training facilities.

All AID funding is requested on a grant basis. Parallel financing with the Government of Japan and other donors is a possibility.

FY 1985 ANNUAL BUDGET SUBMISSION

TABLE V - FY 1985 PROPOSED PROGRAM RANKING					Country/Office	
RANK	PROGRAM ACTIVITY	ONGOING NEW	LOAN GRANT	APPR ACCT	PROGRAM FUNDING (\$000)	
	DESCRIPTION				INCR	CUM
1	Primary Health Care II	0	G	H	1,900	1,900
2	Maize & Oilseeds Production	0	G	ARDN	6,900	8,800
3	Edible Oil Production & Distribution	0	G	ARDN	6,000	14,000
4	Agriculture Research & Planning	N	G	ARDN	1,200 ^{1/}	16,000
5	Additional DA Funds for Agriculture Research and Planning	N	G	ARDN	1,300	17,300

AAPL

AAPL

^{1/} less than the amount needed to start project under ABS guideline. Minimum initial funding increment required is \$2.5 million.

Table V - NARRATIVE: Proposed FY 1985 Project Ranking

The FY 1985 AID/Burma program earmarks new funds for only four projects: 1) Primary Health Care II; 2) Maize and Oilseeds Production; 3) Edible Oils Production and Distribution and 4) Agriculture Research and Planning. In Tables I and IV, we have blocked out the minimum FY 1983 to FY 1986 funding requirements that we need to continue progress toward approved CDSS goals and objectives. We have concluded that we cannot squeeze funds from any of the three on-going projects as a way to begin Agriculture Research and Planning within the current FY 1985 AAPL of \$16.0 million while adhering to the ABS funding guidelines. We have already deferred additional funding for Development Training II on the assumption that funds committed in FY 1984 will tide over until FY 1986.

At the current AAPL for FY 1985 of \$16.0 million, we have only \$1.2 million of the minimum \$2.5 million that we estimate is needed to start the Agriculture Research and Planning project credibly. Primary Health Care II, Maize and Oilseeds Production and Edible Oil Production and Distribution are already mortgaged to the extent possible. Unless we receive financial relief in the form of FY 1983 or FY 1984 Health or ARDN account "fall out," to forward-fund either PHC II or one of our two agriculture sector projects, we would be forced to defer the start of Agriculture Research and Planning until FY 1986. If we receive increases to our FY 1983 or FY 1984 OYB, however, we will be able to capitalize on the opportunity to participate in the Burmese effort to expand the country's agriculture research and planning base, upon which long-term progress in food production depends so much. We consider Agriculture Research and Planning to be such a high priority in Burma -- particularly the need to feed fresh technical innovation into the country's high-calibre extension service -- that we have postponed a planned start in Wheat Production indefinitely.

In Table V we show Agriculture Research and Planning at \$1.2 million within the current approved AAPL for FY 1985. But we need a minimum of \$2.5 million to initiate the project prudently and stay within this year's ABS funding guidelines. Thus, we also show an increment of \$1.3 million below the line with the hope of an upward adjustment in the AAPL or, if funds are not available in FY 1985, the possibility of funding relief in either FY 1983 or FY 1984.

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

Project List (Project No. & Title)	Last Eval Completed (Mo./Yr.)	FY 1984		FY 1985		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral AID Assistance
		Start (Qtr)	To AID/W (Qtr)	Start (Qtr)	To AID/W (Qtr)				
Primary Health Care (482-0002)	4/82	-	-	-	-	Mid-term Evaluation	PDS	60	none
"	-	2nd	2nd	-	-	End-of-Project Evaluation	Project	30	none
Maize and Oilseeds Production (482-0005)	-	1st	1st	-	-	Mid-term Evaluation	Project	60	none
<u>Mission Evaluation Officer:</u> Richard B. Nelson, Program Officer <u>Proportion of time devoted to evaluation: 10 percent</u>									

AID/Burma

FY 1985

Annual Budget Submission
Evaluation Plan

As directed in the FY 1985 ABS guidance, the AID/Burma Evaluation Plan consists of a narrative description of project evaluation issues and a list of planned evaluations in Table VII. Our project portfolio in FY 1984 and FY 1985 will consist of the Primary Health Care I and II, Maize and Oilseeds Production, Edible Oil Production and Distribution, Development Training I and II projects, and possibly Agriculture Research and Planning. Of these seven projects, only two are scheduled for evaluation in the lifespan of this plan: Primary Health Care I and Maize and Oilseeds Production.

Issues Narrative

Primary Health Care I

An end-of-project evaluation of PHC I will be conducted in the Second Quarter of FY 1984 and will address such questions as: 1) Project replicability and recurrent costs; 2) reduction of mortality and morbidity; and 3) the cost-effectiveness of preventive and curative aspects of community-supported, volunteer, primary health care.

The Burmese Department of Health and the Institute of Economics have been collaborating on a series of six evaluative studies on various aspects of primary health care in Burma. Some of these studies are quite relevant in setting the required baseline data base that we need to measure the "impact" of our investment in Burma's primary health care program. The progress of each of these studies is discussed below.

First, however, it should be recognized that terms such as "evaluation" and "impact evaluation" do not necessarily connote the same meaning or interest in Burma that they do in the United States. The collection of data and their analysis are often viewed by the Burmese as merely a means of assessing the utilization of program inputs: Project monitoring. The temptation is to plan, train and deploy "X" number of health workers and then judge the success or failure of the project solely on the number of workers actually trained and deployed; not how effective they are in their villages. While some Burmese program managers recognize that volunteer health workers are supposed to provide services that will mitigate the effects of certain diseases, the data collection needed for impact assessment is still limited, of variable quality, slow in being analyzed and often overshadowed by project monitoring information.

Under the Primary Health Care I project, AID/Burma supported six evaluative studies on various aspects of Burma's primary health care program. We believe that there are impact indicators that can be used to measure the effectiveness of the program and point the way toward necessary modifications in training and supervision. Fundamental to this effort is the technical assistance provided

by AID under PHC I to the Health Information Services of the Department of Health in the collection and analysis of impact data. Under PHC II, AID/Burma will continue to work toward the selection of a few simple indicators that can measure project effectiveness.

Field data collection is often hampered by a lack of transportation or even the paper needed to print data collection forms. The genuinely motivated health worker often must provide his/her own supplies. AID/Burma believes that a combination of judicious urging, technical assistance and the provision of a few supplies can lead to gradual improvement in data gathering and analysis, and ultimately in the use of such analyses in full impact evaluation.

The progress of the six evaluative studies and our assessment of their utility in future impact evaluation of Burma's primary health care program follow:

Study 1 - Weaning Practices as an Impact Indicator for Nutrition Education

This study was completed in 1982 and two sets of data are available: 1) Precise comparative descriptions of weaning practices based on interviews in six geographical areas; 2) anthropometric measurements of children 0-3 years in the same six areas with records of those moderately and severely malnourished. These two data sets form a good base upon which to make comparisons through subsequent surveys planned for mid-1984 and for future years.

Study 2 - Evaluation of Traditional Birth Attendants Before Training

This study describes the behavior of village-based, often illiterate birth attendants before they received training in regard to hand washing, care of the umbilical cord, conduct during labor and certain other beliefs. A repeat survey is now under way a year after their training. Changes in behavior should be marked. However, this study will not assess impact on the health of mothers and children. AID/Burma is seeking other ways to measure decreases in maternal and perinatal deaths and neonatal tetanus.

Study 3 - Time Utilization of Voluntary Health Workers

This survey casts some light on the work patterns of volunteer health workers and the information may be useful in modifying their training. It does not assess impact.

Study 4 - Testing Impact Indicators for Routine Reporting

This study compares data on vital events collected by volunteer health workers and Basic Health Centers with what are assumed to be true rates derived from other household surveys. The study attempts to document under-reporting and to establish a base line for future use. Its utility could be enhanced if similar studies are repeated at three-to-five year intervals.

Study 5 - The Monitoring of Vital Events, Nutrition Status and Primary Health Care at the Village Level

The aims of this study are to assess how well volunteer workers carry out their assigned job and, by implication, to determine the quality of training and supervision. It will not measure impact on health status.

Study 6 - Rural Household Survey on Morbidity, Mortality and Health Care

This survey gathered socio-economic, geographic, and environmental health data in communities with and without a trained health worker. The final analysis of the data is still incomplete, and its utility as a means of measuring changes in health status will depend upon its repetition in three-to-five-year cycles.

AID/Burma believes that Study 1, if repeated every 18 to 24 months, can provide information on the proportion of malnourished children and before-and-after changes in weaning practices. Such information will not only assess change but will assess training efforts, the types of nutrition messages propounded and the mechanism used to deliver those messages. We intend to continue seeking ways of quantifying the effects of TBA training on maternal and perinatal mortality and neonatal tetanus. A new reporting form designed specifically for AMW's and midwives is just being introduced. It is short and uncomplicated and will report on: 1) The number of children undergoing weight monitoring and the proportion not gaining weight; 2) the number of children with diarrheal disease, the prescribed treatment and the outcome; and 3) the number of women receiving antenatal care, number of deliveries, infant deaths, maternal deaths and abortions. This is minimal information but if the reporting system can be strengthened, it will provide some valuable impact insights. As the system gains strength and experience, a wider variety of information can be sought.

Maize and Oilseeds Production

In the first Quarter of FY 1984 we tentatively plan to conduct a Mid-term Evaluation of the Maize and Oilseeds Production project which was signed in October 1981. The evaluation will look at "nuts and bolts" questions such as expenditures and accruals, assignment of technical assistance team members, the number of participant trainees processed, commodity arrivals and end-use, Agriculture Corporation project staffing and budgeting. It will also assess progress toward production targets in maize, sesamum, groundnuts and sunflower. We envision this evaluation as a diagnostic device to determine possible shifts in AID-financed inputs. The most nagging problem to date has been the inability of MUCIA to assign a complete technical assistance contract team almost one year after the contract was signed.

Both evaluations planned for FY 1984 will be done in close collaboration with AID/Washington and will be funded by a combination of project and Asia Bureau PD and S funds. Our Burmese Government project counterparts are expected to participate actively in the design and conduct of the evaluations. No evaluations are planned at this time for FY 1985.

ORGANIZATION AID/Burma

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>U.S. DIRECT HIRE</u>	U100		436.1		436.1	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	251.2		251.2	4.7
PT/TEMP U.S. BASIC PAY	U102	112	12.3		12.3	.8
DIFFERENTIAL PAY	U103	116	31.9		31.9	XXXXX
OTHER AID/W FUNDED O.C. 11	U104	119	5.9		5.9	XXXXX
OTHER MISSION FUNDED O.C. 11	U105	119	-		-	XXXXX
EDUCATION ALLOWANCES	U106	126	6.2		6.2	4.0
RETIREMENT - U.S.	U107	120	17.6		17.6	XXXXX
LIVING ALLOWANCES	U108	128	-		-	XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	9.6		9.6	XXXXX
OTHER MISSION FUNDED O.C. 12	U110	129	1.9		1.9	XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	19.9		19.9	4.0
POST ASSIGNMENT - FREIGHT	U112	22	49.4		49.4	4.0
HOME LEAVE - TRAVEL	U113	212	8.5		8.5	2.0
HOME LEAVE - FREIGHT	U114	22	4.8		4.8	2.0
EDUCATION TRAVEL	U115	215	4.1		4.1	3.0
R AND R TRAVEL	U116	215	6.0		6.0	4.0
ALL OTHER CODE 215 TRAVEL	U117	215	6.8		6.8	8.0
			2.7		2.7	XXXXX
<u>FOREIGN NATIONAL DH</u>	U200					XXXXX
BASIC PAY	U201	114	2.0		2.0	1.0
OVERTIME, HOLIDAY PAY	U202	115	0.2		0.2	0.1
ALL OTHER CODE 11 - FN	U203	119	-		-	XXXXX
ALL OTHER CODE 12 - FN	U204	129	0.5		0.5	XXXXX
BENEFITS FORMER FN PERS.	U205	13	-		-	XXXXX
			6.9		6.9	XXXXX
<u>CONTRACT PERSONNEL</u>	U300					XXXXX
PASA TECHNICIANS	U301	258	-		-	-
U.S. PSC - SALARY/BENEFITS	U302	113	-		-	-
ALL OTHER U.S. PSC COSTS	U303	255	-		-	XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113	6.9		6.9	3.0
ALL OTHER F.N. PSC COSTS	U305	255	-		-	XXXXX
			30.1		30.1	XXXXX
<u>HOUSING</u>	U400					XXXXX
RENT	U401	235	21.6		21.6	3.0
UTILITIES	U402	235	3.4		3.4	XXXXX
RENOVATION AND MAINT.	U403	259	3.0		3.0	XXXXX
QUARTERS ALLOWANCE	U404	127	1.5		1.5	1.0
PURCHASES RES. FURN/EQUIP.	U405	311	-		-	XXXXX
TRANS./FREIGHT - CODE 311	U406	22	-		-	XXXXX
SECURITY GUARD SERVICES	U407	254	-		-	XXXXX
OFFICIAL RESIDENCE ALLOW.	U408	254	-		-	XXXXX
REPRESENTATION ALLOWANCE	U409	252	0.6		0.6	XXXXX

TABLE VIII - FY 1983

<u>ORGANIZATION</u>		<u>AID/Burma</u>				
<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>OFFICE OPERATIONS</u>	U500		107.7		107.7	XXXXX
RENT	U501	234	-		-	XXXXX
UTILITIES	U502	234	-		-	XXXXX
BUILDING MAINT./RENOV.	U503	259	-		-	XXXXX
OFFICE FURN./EQUIP.	U504	310	8.1		8.1	XXXXX
VEHICLES	U505	312	-		-	XXXXX
OTHER EQUIPMENT	U506	319	-		-	XXXXX
TRANSPORTATION/FREIGHT	U507	22	-		-	XXXXX
COMMUNICATIONS	U508	230	14.5		14.5	XXXXX
SECURITY GUARD SERVICES	U509	254	-		-	XXXXX
PRINTING	U510	24	0.1		0.1	XXXXX
RIG/II OPERATIONAL TRAVEL	U511	210	-		-	-
SITE VISITS	U512	210	49.1		49.1	38.0
INFORMATION MEETINGS	U513	210	3.7		3.7	-
TRAINING ATTENDANCE	U514	210	-		-	-
CONFERENCE ATTENDANCE	U515	210	5.4		5.4	5.0
OTHER OPERATIONAL TRAVEL	U516	210	-		-	1.0
SUPPLIES AND MATERIALS	U517	26	2.6		2.6	XXXXX
FAAS	U518	257	-		-	XXXXX
CONSULTING SVCS - CONT.	U519	259	-		-	XXXXX
MGT./PROF. SVCS. - CONT.	U520	259	24.2		24.2	XXXXX
SPEC. STUDIES/ANALYSES CONT.	U521	259	-		-	XXXXX
ALL OTHER CODE 25	U522	259	-		-	XXXXX
TOTAL O.E. BUDGET			<u>583.5</u>		<u>583.5</u>	<u>XXXXX</u>
RECONCILIATION			<u>328.5</u>		<u>328.5</u>	<u>XXXXX</u>
OPERATING ALLOWANCE REQUEST			<u>255.0</u>		<u>255.0</u>	<u>XXXXX</u>

OTHER INFORMATION:

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

73.0
\$1 = 7.8663

TABLE VIII - FY 1984

ORGANIZATION AID/Burma

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>U.S. DIRECT HIRE</u>	U100		467.9		467.9	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	277.9		277.9	5.0
PT/TEMP U.S. BASIC PAY	U102	112	13.1		13.1	1.0
DIFFERENTIAL PAY	U103	116	34.6		34.6	XXXXX
OTHER AID/W FUNDED O.C. 11	U104	119	6.0		6.0	XXXXX
OTHER MISSION FUNDED O.C 11	U105	119	-		-	XXXXX
EDUCATION ALLOWANCES	U106	126	12.1		12.1	5.0
RETIREMENT - U.S.	U107	120	19.5		19.5	XXXXX
LIVING ALLOWANCES	U108	128	-		-	XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	11.7		11.7	XXXXX
OTHER MISSION FUNDED O.C.12	U110	129	0.1		0.1	XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	3.2		3.2	2.0
POST ASSIGNMENT - FREIGHT	U112	22	14.9		14.9	2.0
HOME LEAVE - TRAVEL	U113	212	25.3		25.3	2.0
HOME LEAVE FREIGHT	U114	22	7.4		7.4	2.0
EDUCATION TRAVEL	U115	215	6.0		6.0	4.0
R AND R TRAVEL	U116	215	26.1		26.1	6.0
ALL OTHER CODE 215 TRAVEL	U117	215	10.0		10.0	8.0
<u>FOREIGN NATIONAL DH</u>	U200		3.1		3.1	XXXXX
BASIC PAY	U201	114	2.2		2.2	1.0
OVERTIME, HOLIDAY PAY	U202	115	0.3		0.3	0.1
ALL OTHER CODE 11 - FN	U203	119	-		-	XXXXX
ALL OTHER CODE 12 - FN	U204	129	0.6		0.6	XXXXX
BENEFITS FORMER FN PERS.	U205	13	-		-	XXXXX
<u>CONTRACT PERSONNEL</u>	U300		10.0		10.0	XXXXX
PASA TECHNICIANS	U301	258	-		-	-
U.S. PSC - SALARY/BENEFITS	U302	113	-		-	-
ALL OTHER U.S. PSC COSTS	U303	255	-		-	XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113	10.0		10.0	3.0
ALL OTHER F.N. PSC COSTS	U305	255	-		-	XXXXX
<u>HOUSING</u>	U400		64.6		64.6	XXXXX
RENT	U401	235	24.5		24.5	3.0
UTILITIES	U402	235	6.5		6.5	XXXXX
RENOVATION AND MAINT.	U403	259	3.0		3.0	XXXXX
QUARTERS ALLOWANCE	U404	127	-		-	-
PURCHASES RES. FURN/EQUIP.	U405	311	25.0		25.0	XXXXX
TRANS./FREIGHT - CODE 311	U406	22	5.0		5.0	XXXXX
SECURITY GUARD SERVICES	U407	254	-		-	XXXXX
OFFICIAL RESIDENCE ALLOW.	U408	254	-		-	XXXXX
REPRESENTATION ALLOWANCE	U409	252	0.6		0.6	XXXXX

TABLE VIII - FY 1984

ORGANIZATION AID/Burma

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>OFFICE OPERATIONS</u>	U500		144.7		144.7	XXXXX
RENT	U501	234	-		-	XXXXX
UTILITIES	U502	234	-		-	XXXXX
BUILDING MAINT./RENOV.	U503	259	-		-	XXXXX
OFFICE FURN./EQUIP.	U504	310	10.0		10.0	XXXXX
VEHICLES	U505	312	10.0		10.0	XXXXX
OTHER EQUIPMENT	U506	319	10.5		10.5	XXXXX
TRANSPORTATION/FREIGHT	U507	22	6.0		6.0	XXXXX
COMMUNICATIONS	U508	230	18.0		18.0	XXXXX
SECURITY GUARD SERVICES	U509	254				XXXXX
PRINTING	U510	24	0.2		0.2	XXXXX
RIG/II OPERATIONAL TRAVEL	U511	210	-		-	-
SITE VISITS	U512	210	54.0		54.0	40.0
INFORMATION MEETINGS	U513	210	4.0		4.0	-
TRAINING ATTENDANCE	U514	210	-		-	-
CONFERENCE ATTENDANCE	U515	210	6.0		6.0	4.0
OTHER OPERATIONAL TRAVEL	U516	210	-		-	1.0
SUPPLIES AND MATERIALS	U517	26	3.0		3.0	XXXXX
FAAS	U518	257	-		-	XXXXX
CONSULTING SVCS - CONT.	U519	259	-		-	XXXXX
MGT./PROF. SVCS. - CONT.	U520	259	23.0		23.0	XXXXX
SPEC. STUDIES/ANALYSES CONT.	U521	259	-		-	XXXXX
ALL OTHER CODE 25	U522	259	-		-	XXXXX
TOTAL O.E. BUDGET			690.3		690.3	XXXXX
RECONCILIATION (AID/W Costs)			362.7		362.7	XXXXX
OPERATING ALLOWANCE REQUEST			327.6		327.6	XXXXX

OTHER INFORMATION:

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

85.3
\$ 1 = K.7.8863

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

10%
10%

TABLE VIII - FY 1985

ORGANIZATION AID/Burma

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>U.S. DIRECT HIRE</u>	U100		520.2		520.2	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	284.3		284.3	5.1
PT/TEMP U.S. BASIC PAY	U102	112	13.1		13.1	1.0
DIFFERENTIAL PAY	U103	116	31.4		31.4	XXXXX
OTHER AID/W FUNDED O.C. 11	U104	119	6.2		6.2	XXXXX
OTHER MISSION FUNDED O.C 11	U105	119	-		-	XXXXX
EDUCATION ALLOWANCES	U106	126	19.8		19.8	9.0
RETIREMENT - U.S.	U107	120	19.9		19.9	XXXXX
LIVING ALLOWANCES	U108	128	-		-	XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	11.9		11.9	XXXXX
OTHER MISSION FUNDED O.C.12	U110	129	3.0		3.0	XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	22.2		22.2	4.0
POST ASSIGNMENT - FREIGHT	U112	22	51.7		51.7	4.0
HOME LEAVE - TRAVEL	U113	212	11.3		11.3	1.0
HOME LEAVE - FREIGHT	U114	22	5.4		5.4	1.0
EDUCATION TRAVEL	U115	215	6.0		6.0	4.0
R AND R TRAVEL	U116	215	24.0		24.0	6.0
ALL OTHER CODE 215 TRAVEL	U117	215	10.0		10.0	8.0
<u>FOREIGN NATIONAL DH</u>	U200		3.5		3.5	XXXXX
BASIC PAY	U201	114	2.4		2.4	1.0
OVERTIME, HOLIDAY PAY	U202	115	0.4		0.4	0.1
ALL OTHER CODE 11 - FN	U203	119	-		-	XXXXX
ALL OTHER CODE 12 - FN	U204	129	0.7		0.7	XXXXX
BENEFITS FORMER FN PERS.	U205	13	-		-	XXXXX
<u>CONTRACT PERSONNEL</u>	U300		11.0		11.0	XXXXX
PASA TECHNICIANS	U301	258	-		-	-
U.S. PSC - SALARY/BENEFITS	U302	113	-		-	-
ALL OTHER U.S. PSC COSTS	U303	255	-		-	XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113	11.0		11.0	3.0
ALL OTHER F.N. PSC COSTS	U305	255	-		-	XXXXX
<u>HOUSING</u>	U400		64.6		64.6	XXXXX
RENT	U401	235	25.8		25.8	3.0
UTILITIES	U402	235	7.2		7.2	XXXXX
RENOVATION AND MAINT.	U403	259	3.0		3.0	XXXXX
QUARTERS ALLOWANCE	U404	127	-		-	-
PURCHASES RES. FURN/EQUIP.	U405	311	20.0		20.0	XXXXX
TRANS./FREIGHT - CODE 311	U406	22	5.0		5.0	XXXXX
SECURITY GUARD SERVICES	U407	254	-		-	XXXXX
OFFICIAL RESIDENCE ALLOW.	U408	254	-		-	XXXXX
REPRESENTATION ALLOWANCE	U409	252	0.6		0.6	XXXXX

TABLE VIII - FY 1985

ORGANIZATION AID/Burma

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>OFFICE OPERATIONS</u>	U500		<u>146.0</u>		<u>146.0</u>	<u>XXXXX</u>
RENT	U501	234	-		-	<u>XXXXX</u>
UTILITIES	U502	234	-		-	<u>XXXXX</u>
BUILDING MAINT./RENOV.	U503	259	-		-	<u>XXXXX</u>
OFFICE FURN./EQUIP.	U504	310	<u>10.0</u>		<u>10.0</u>	<u>XXXXX</u>
VEHICLES	U505	312	<u>12.5</u>		<u>12.5</u>	<u>XXXXX</u>
OTHER EQUIPMENT	U506	319	<u>5.0</u>		<u>5.0</u>	<u>XXXXX</u>
TRANSPORTATION/FREIGHT	U507	22	<u>2.0</u>		<u>2.0</u>	<u>XXXXX</u>
COMMUNICATIONS	U508	230	<u>20.0</u>		<u>20.0</u>	<u>XXXXX</u>
SECURITY GUARD SERVICES	U509	254	-		-	<u>XXXXX</u>
PRINTING	U510	24	<u>0.2</u>		<u>0.2</u>	<u>XXXXX</u>
RIG/II OPERATIONAL TRAVEL	U511	210	-		-	-
SITE VISITS	U512	210	<u>59.0</u>		<u>59.0</u>	<u>40.0</u>
INFORMATION MEETINGS	U513	210	<u>6.0</u>		<u>6.0</u>	-
TRAINING ATTENDANCE	U514	210	-		-	-
CONFERENCE ATTENDANCE	U515	210	-		-	<u>4.0</u>
OTHER OPERATIONAL TRAVEL	U516	210	<u>4.0</u>		<u>4.0</u>	<u>1.0</u>
SUPPLIES AND MATERIALS	U517	26	<u>3.3</u>		<u>3.3</u>	<u>XXXXX</u>
FAAS	U518	257	-		-	<u>XXXXX</u>
CONSULTING SVCS - CONT.	U519	259	-		-	<u>XXXXX</u>
MGT./PROF. SVCS. - CONT.	U520	259	<u>24.0</u>		<u>24.0</u>	<u>XXXXX</u>
SPEC. STUDIES/ANALYSES CONT.	U521	259	-		-	<u>XXXXX</u>
ALL OTHER CODE 25	U522	259	-		-	<u>XXXXX</u>
TOTAL O.E. BUDGET			<u>742.3</u>		<u>742.3</u>	<u>XXXXX</u>
RECONCILIATION			<u>366.7</u>		<u>366.7</u>	<u>XXXXX</u>
OPERATING ALLOWANCE REQUEST			<u>375.6</u>		<u>375.6</u>	<u>XXXXX</u>

OTHER INFORMATION:

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

91.7
\$ 1 = K.7.8863

Estimated Wage Increases - FY 1984 to FY 1985
Estimated Price Increases - FY 1984 to FY 1985

10%
10%

Table VIII - NARRATIVE: Operating Expenses

Management Improvements

AID/Burma intends to undertake several management improvements starting in FY 1983, the most important of which are: 1) The installation of a micro-computer with limited word-processing capability; and 2) the full-time PSC employment of a local hire clerk-typist in our Rangoon Office and a Voucher Examiner in our Controller's Office in Bangkok.

We have a small USDH and local staff, but, as explained later in this ABS, our reporting and documentation workload is almost as large as a full-size AID mission, causing AID/Burma staff to spend a growing proportion of time on paperwork. We have defined our sectoral involvement in the agriculture and health sectors and we have concentrated on fewer and larger projects in an effort to reduce management workload. However, we face a continuing increase in project design and monitoring responsibility and we need to add to our capacity to do project analysis, to track project obligations, and to collect and retrieve socio-economic and financial data. We must carefully monitor drawdown of operating expenses and we are required to prepare several annual reports on AID-owned property for submission to AID/Washington. To streamline our management workload, we intend to purchase and install an IBM Personal Computer in FY 1984. The computer will have limited word-processing capability to relieve our secretarial staff of laborious duplication and editing of project documents, reports, inventories and financial tables.

The installation of a micro-computer, plus training in its application for our staff, is a cost-effective way to meet a growing project and financial management workload. The alternatives to such an investment are to hire additional local staff, for whom there is no office space in the Embassy, and/or to assign a full-time USDH Controller to AID/Rangoon, not a practical option.

The addition of a full-time Voucher Examiner in FY 1983 is considered necessary by our Controller in Bangkok to meet the financial services demands of the AID/Burma program, and we have provided funding for this position.

Justifications for Funding Changes

A clear explanation of funding increases by major category is found in the footnotes to our Comparison of Operating Expense Budgets table which follows this narrative. The major increases from FY 1983 to FY 1984 are in the Housing and Office Operations categories. In FY 1984 we must, for example, purchase furniture and appliances for our IDI Agriculture Generalist and procure both a micro-computer for office use and a replacement vehicle for the AID Representative.

In FY 1985 we are faced with the costs of the two USDH families leaving post on reassignment and retirement respectively, plus the assignment to post of their replacements.

We project a ten percent increase in local procurement costs and local hire staff salaries in FY 1984 and in FY 1985.

Comparison of Operating Expenses AID/Burma

<u>Description</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>Difference</u>	<u>FY 1985</u>	<u>Difference</u>
U.S. Direct Hire	436.1	467.9	31.8	520.2	52.3 ^{4/}
F.N. Direct Hire	2.7	3.1	.4	3.5	.4
Contract Personnel	6.9	10.0	3.1 ^{1/}	11.0	1.0
Housing	30.1	64.6	34.5 ^{2/}	61.6	(3.0)
Office Operations	107.7	144.7	37.0 ^{3/}	146.0	1.3
Total:	<u>583.5</u>	<u>690.3</u>	<u>106.8</u>	<u>742.3</u>	<u>52.0</u>

1/ In addition to the Commodities Specialist, an AID/Burma Voucher Examiner (resident in O/FIN USAID/Thailand) and a clerk/typist will be funded for a full year.

2/ Difference reflects slight increase in housing rental costs for three USDH Officers plus costs of furniture and appliances for IDI household.

3/ Difference due to costs of a mini-computer, a replacement vehicle for the AID Representative and slight increases in costs of communications and field travel.

4/ Program Officer and Health Development Officer will depart post on transfer and retirement, respectively, and will be replaced.

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

	-----Fiscal Year-----		
	1983	1984	1985
<hr/>			
A. <u>Capital Investments</u>			
1. Purchase of ADP Equipment	-	8.3	-
2. Purchase of Software	-	1.7	-
Subtotal <u>1/</u>		<u>10.0</u>	-
B. <u>Personnel</u>			
1. Compensation, Benefits, Travel	-	-	-
2. Workyears	-	-	-
Subtotal			
C. <u>Equipment Rental and Other</u>			
<u>Operating Costs</u>			
1. ADP Equipment (ADPE) Rentals	-	-	-
2. Supplies and Leased Software	-	-	.5
Subtotal			
D. <u>Commercial Services</u>			
1. ADP Service Bureau	-	-	-
2. Systems Analysis and Programming	-	-	-
3. ADPE Maintenance (If separate from item C.1.)	-	.5	.5
Subtotal			
E. <u>Total Obligations (A-D)</u>	-	10.5	1.0
F. <u>Interagency Services</u>			
1. Payments	-		
2. Offsetting Collections	-		
Subtotal			
G. <u>Grant Total (E&F)</u>	-	10.5	1.0
Amount included in <u>Mission allowance</u> for existing systems	-	-	1.0
Amount included in <u>Mission allowance</u> for new/expanded systems	-	10.5	-

1/ includes cost of shipping

Table VIII(a) NARRATIVE: Automatic Data Processing

AID/Burma reporting and documentation requirements are as great as those of larger missions and much of our staff time is spent on paperwork. Examples include the CDSS, ABS and CP preparation; PID's, PP's and evaluation preparation; project implementation and monitoring; responses to Agency/Bureau policy papers, cables, etc., and comments/analyses of other donor projects. We are entering the fourth year of our program and we face an increasing project design, implementation and documentation workload with the need to add to our capacity for project analysis, especially in the agriculture and health sectors. Because of these expanding requirements, we will back-stop our small staff with micro-computer technology to provide more effective and efficient means of processing information for program and administrative purposes. Illustrative planned uses of the micro-computer include but are not limited to the following:

- Collection, storage and retrieval of program and administrative information such as economic and social data, project monitoring information, property inventory, mission accounting and operating expenses;
- Use of spreadsheets for financial management and planning and financial analysis for new projects;
- Statistical analysis for program and administrative needs, and
- Use of graphics for program documentation and presentations.

In light of these needs and planned uses, we have undertaken an analysis of the capabilities, costs and availability of repair and maintenance for the major computer systems recommended by AID and we have concluded that the IBM Personal computer system is the most appropriate for our situation. We will procure and install an IBM Personal with accessories and software packages in FY 1984, budgeting \$10,500 in this ABS. Future year costs of supplies and maintenance are estimated to run about \$1,000 annually.

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

Skill Code	Position Title	WORKYEARS			
		FY 83	FY 84	FY 85	FY 86
011	A.I.D. Representative	.5	1.0	1.0	1.0
071	Executive Assistant	1.0	1.0	1.0	1.0
023	Program Officer	1.0	1.0	1.0	1.0
501	Health Development Officer (PHSN)	1.0	1.0	1.0	1.0
103	Agricultural Development Officer	1.0	1.0	1.0	1.0
103	IDI Agricultural Development Officer	.2	1.0	1.0	1.0 ^{1/}
050	Secretary (permanent 32 hour/week local hire)	1.0	1.0	1.0	1.0

1/ IDI will be transferred into a permanent USDH Agriculture Development Officer position

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

<u>SKILL CODE</u>	<u>POSITION TITLE</u>	<u>WORKYEARS</u>			
		<u>FY 83</u>	<u>FY 84</u>	<u>FY 85</u>	<u>FY 86</u>
---	Participant Training Assistant	1.0	1.0	1.0	1.0

TABLE IX(a) and (b) - NARRATIVE: Workforce Requirements

We believe that the latest FTE staffing ceilings are adequate for the efficient and prudent management of the AID/Burma assistance program. At present, five USDH employees are managing a program portfolio of \$25.0 million in bilateral development assistance commitments; plus AID/SCI allotments of \$300,000 (with more expected); annual local utilization of about \$200,000 in central program funds; and the administration of \$16.5 million in local currency grants made available to the SRUB in FY 1983. With a minimum AAPL of \$12.5 million in FY 1984, our project management workload will increase. To manage our program, we have a highly experienced and senior USDH staff of four, including the AID Representative, Program Officer, Health Development Officer and Agriculture Development Officer. An Executive Assistant and a local hire permanent part-time American secretary provide administrative and secretarial backstop. AID/Burma uses the Project Implementation Committee mechanism to monitor closely the management of a growing project portfolio, with full participation by each Project Manager, the Program Officer and AID Representative, plus our Burmese Government project management colleagues. To augment agriculture sector management capacity we expect the assignment to post in August 1983 of a second Agricultural Development Officer (IDI), who will work under the direct technical supervision of the senior Agriculture Development Officer and eventually will assume responsibility for management of the Edible Oil Production and Distribution project. He will be guided and backstopped on project management by the Program Officer and the Project Implementation Committee.

We do not see a justification for a USDH engineer on staff to handle the technical and engineering aspects of designing and erecting a solvent extraction/refining/bottling facility under the Edible Oil Production and Distribution project. We prefer instead to satisfy our engineering needs through a technical assistance contract. Likewise, we do not see the need as yet to have a resident USDH Controller as long as the USAID/Thailand Office of Finance can provide its present range of services. To assist our Controller we have funded a full-time PSC Voucher Examiner in the Bangkok Office.

We also receive valuable budget and fiscal services from the Embassy B&F office, but the possible elimination of the B&F Officer position in FY 1984 may affect the quality of services we have been receiving. To augment our project and financial management capability we intend to procure and install an IBM Personal Computer with limited word-processing capability.

We expect to continue to receive legal services from the Regional Legal Adviser in Colombo, commodity management services from the Regional Commodities Management Officer in Bangkok and contract services from the Regional Contracts Officer in Manila. We endorse the concept of stationing a regional data processing expert in Bangkok who could assist us in the phase-in and application of our micro-computer and word-processing system.

As for local staff, in FY 1983 we converted our single FSN local employee from Clerk-Typist to Participant Training Assistant and we have since hired a replacement Clerk-Typist on a PSC basis. Our PSC Commodity Specialist's

duties and responsibilities have been increased from clearing and end-use monitoring of AID-financed commodities to include commodity records, drafting PIO/C's and NXP inventory, duties similar to those of a Program/Project Assistant.

For general administrative support, we will continue to rely a great deal on the resources of the Embassy for housing, guard/driver services, vehicle maintenance, local and offshore procurement, mail room, communications/ records and cashier services. While we have no formal JAS arrangement, we are paying for Embassy services through the FAAS account.

The USDH/FSN and PSC skills mix of our small AID/Burma staff is adequate for the expanding assistance program described in this ABS and the FY 1984-FY 1985 Action Plan. We cannot absorb a ten percent reduction in staff. With only six USDH -- including one IDI -- and only one FSN, there is no place to cut. In fact, for the outyears FY 1986 to FY 1989, we must seriously consider staff expansion, either USDH, Joint-Career Corps or contract, to design and manage projects in population and irrigation/watershed protection. In sum, we have made adequate provisions for program/project management, technical assistance and administrative support staffing through FY 1985. Beyond that, a modest expansion of USDH and FSN staff may be appropriate.