

UNCLASSIFIED

Annual Budget Submission

FY 1988

GUINEA-BISSAU

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June 1986

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

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AGENCY FOR INTERNATIONAL DEVELOPMENT

ANNUAL BUDGET SUBMISSION

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GUINEA-BISSAU

MAY 1986

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Guinea-Bissau

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Economic Update:

Guinea-Bissau ranks among the 20 poorest countries in the world. Per capita GNP registered as \$190 in 1981, fell to \$170 in 1982 and has experienced further declines since that time. While the country has made gains in advancing social services in recent years; adult literacy is still 10%, life expectancy is 39 years, and infant mortality is approximately 137/1000 live births. Potable water is accessible to only 11% of the population, primarily in urban areas and basic health delivery care is still unavailable in most of the rural areas.

Guinea-Bissau's economy has been characterized by poor performance and stagnation since independence in 1974, despite recent policy reforms and a shift toward a more open economy. During the first six years after independence the Government followed the socialist model of development based on a centrally controlled economy, with devastating results overall. From 1979 to 1982 GDP fell an average of 1.5 % and another 5 % in 1983. A restructuring of the economy in 1983 coupled with policy reforms (including a significant devaluation) saw an upturn in the economy in 1984 with export earnings reaching \$14 million, and the GOGB realizing a decline in public debt and improvement in its external account for the first time since independence. These gains, however, were reversed in 1985 with exports declining to \$11 million and the GOGB again faced with the inability to meet its scheduled external debt payments. This recent drop in export earnings has significantly reduced the Government of Guinea-Bissau (GOGB's) ability to meet the population's basic needs for consumer goods, provide replacement parts to keep its plants working, and meet its fuel import requirements. The overall result has been a decline in both income and consumption for the average citizen. The lack of imports seriously hampers the government in following through on its commitment to provide incentives to farmers in the form of consumer items to stimulate greater production. The foreign exchange problem precipitated a fuel crisis in March 1986 which has had lasting affects on both the private and public sectors.

The IMF team visited Guinea Bissau in February 1986 to review the country's progress under the agreed upon economic reform program. While it acknowledged progress in the areas of marketing, trade and pricing for major crops and consumer goods, the team was critical of the GOGB because of lack of budgetary discipline in other areas. The IMF cited the January 1986 pay raise of 30% granted by the GOGB to civil servants, continued public sector hiring, unrestricted travel and budgetary discrepancies as reasons for postponing further discussions on a new standby agreement. Further, the IMF set more stringent conditions as the terms for a new standby agreement. IMF also expressed concern about the large public investment section of the budget which represents 40 % of the total country budget for 1986. The World Bank has been asked to do an in-depth study of the Public Sector Investment Budget and in its preliminary findings have recommended, inter alia, that the GOGB not enter into any new non-concessionary loans.

The satisfactory harvest in 1985 produced results which exceeded expectations. While this is seen as a direct link to instituted price increases for major crops, the Government's ability to take advantage of the surplus grain is being hampered by its external problems in transport and fuel.

The GOGB seems committed to continuing its policy reforms begun in 1983, despite the recent reverses in the economy. Two significant price increases for major crops and consumer goods have been implemented within the past twelve months. The GOGB is continuing to turn over retail outlets to the private sector, although progress has been slow because of lack of credit.

In terms of sectoral budget allocations for development, the GOGB is moving in the right direction. In the 1984 budget the Ministry of Rural Development and Fisheries received the most benefits with a share of 23% of the total budget and 50% of the budget for economic activities. In 1985, the figures were 22% and 39%, respectively. Other ministries, namely Education, Health and Commerce realized significant budget allocation reductions during the same period. Likewise, another important sector, Manufacturing, dropped from second place in 1984 to fourth place in the 1985 Budget.

The continued success of Guinea-Bissau's economic reforms is partly dependent on the donor community providing support and the Government's steadfast perseverance and commitment to timely implementation of realistic policies. A lot will depend on the GOGB regaining its export level to ensure the availability of foreign exchange for essential spare parts, fuel and consumer items. The GOGB is still largely dependent on donors aid in meeting its national commitments.

Mission Action Plan

A. The A.I.D. Bissau development program focusses on increasing basic food production through integrated pest management techniques, the transfer of improved technology in rice and other major cereals, and institutional support to key departments of the Ministry of Rural Development and Fisheries. These activities contribute to development of food self-sufficiency, supports efforts to assist the private sector, and build a human resource base. Two projects directly assist the private sector through training to upgrade basic skills in preparation for assuming a greater role in the economy and secondly provides credit through sub-loans for identified agro-industrial activities and agribusinesses.

A.I.D. will continue to link project support and food-aid to needed policy reforms.

B. Operational objectives cited in the Mission's ABS last year and an appraisal of the degree to which they were/are being achieved follows:

- The second phase of the Food Crop Protection Project, 657-0007 ended March 31, 1986. Significant accomplishments include the construction and equipping of a National Crop Protection Headquarters with office space, a diagnostic lab and a classroom for in-service training. This complex allows young Guinean scientists who benefitted from long-term U.S. training to identify key insect pests, plant diseases, and weeds, and to formulate Integrated Pest Management (IPM) strategies that are compatible with national resources. As control recommendations are developed, training is organized for Crop Protection Service (CPS) field agents and extensionists of collaborating projects. To overcome the lack of indigenous agricultural research, contacts were strengthened with international research institutions such as the International Institute of Tropical Agriculture (IITA), West African Rice Development Association (WARDA), French Overseas Research Corporation (ORSTOM), and Brazilian National Agricultural Research Corporation (EMBRAPA) through on-site visits of specialists. United States Government expertise was sought from the U.S. Department of Agriculture/Animal Plant Protection Inspection Service/Plant Protection and Quarantine (USDA/APHIS/PPQ) and AID/Washington's Science and Technology Bureau, in the formulation of policy guidelines on pesticide usage and plant quarantine laws.

- Under the Rice Production Project, 657-0009, the full technical assistance team provided under contract with Aurora Associates, comprised of a Project Coordinator, an Extension Trainer/Agronomist, and a Rice Production Specialist is now in place. The appropriate technology package of water management through villager-constructed water retention contour diking, that has been the main focus of the project since its mid-project evaluation in November 1984, has been

introduced and implemented in eleven villages. This represents approximately 110 hectares under cultivation using project-introduced appropriate techniques as opposed to a mere ten hectares in one village in 1984. Successful on-the-job training was conducted, thus upgrading the skills of the Department of Agricultural Experimentation and Research's (DEPA) resident topography team. A Third Country National (TCN) was hired under a Personal Services Contractor (PSC) as Extension Coordinator to plan and organize an expanded program of on-site training seminars, a priority development emphasis of the GOGB for 1986. On-the-job training was also provided for credit monitors who are now implementing the agricultural credit program at the village level. A life-of-project (LOP) increase of \$400,000 has been approved to extend the technical assistance component through July 31, 1987 and documentation is being finalized for a contract extension to allow for the services of the current technical assistance team through an additional cropping season, that of 1987.

- During FY 1986, field activity under the South Coast Agricultural Development Project, 657-0010, began with the signing of the A/E contract in January 1985 between A.I.D and Louis Berger, International. The actual selection, however, was delayed for a period of about six months due to cost miscalculations. Following the A/E contract signing, the designs for the various structures to be built at Catio (site of the project) were started and later finished in late December 1985. Tender documents were prepared and submitted to pre-qualified construction contractors in early CY 1986 and a construction contract was eventually signed in March 1986. It is envisioned that the construction work will be completed during the first quarter of calendar year 1987. The number of A.I.D funded long-term contract technicians has been reduced from four to two as a result of coordination between other donors involved in the same project, namely the International Fund for Agricultural Development (IFAD) in collaboration with funding from the African Development Bank (ADB) and the Kuwait Fund. Likewise, the number of contract technician houses to be constructed was reduced by one in order to reduce overall costs. A recognized major problem in the country which continues to inhibit the pace of development is the chronic shortage of qualified personnel. This situation is attributable both to the GOGB's lack of foreign exchange to finance long-term training for selected participants and the weak educational system which limits qualified participants. Training, then, has been recognized and is an essential part of the project. Three long-term participants were sent to the U.S. to begin training in soil cartography, hydrology, and soil sciences. Two other short-term participants have been sent for training: one to Lisbon in greenhouse operations and the other to Valbonne, France for studies in irrigated perimeters with emphasis on rice production.

- Technical Skills Training project, 657-0011. A Project Agreement Amendment was signed adding \$500,000 under the LOP in FY 1985. Terms of Reference for seven of the eight sub-project activities were developed in late FY 1985 and advertised in Portugal, the U.S. and Guinea Bissau. The submitted proposals were reviewed and

analyzed in early FY 1986 and the selection process undertaken in concert with the National Bank of Guinea-Bissau (BNGB) and the Institute for Professional Training (ITFP). In FY 1986 the GOGB completed negotiations of host country contracts with four Portuguese firms for an agro-industrial study, a private sector study, development of training curricula and for technical assistance to train mid-level government employees and the private sector. The two studies, plus training of the private sector managers and mid-level government employees, will get underway during third quarter FY 1986 and will be completed within three months. The contractor selected to develop the training curricula at the ITFP is already in-country and working. The technical assistance contract for the actual training will begin as soon as the curricula is finalized. The project's procurement activity is being negotiated between the BNGB and a U.S. PSA firm and will also be finalized in mid-FY 1986. The awarding of the contract for technical assistance to the BNGB has been delayed owing to unforeseen contractual problems and will be readvertised in late FY 1986. The project implementation is approximately one year behind schedule. However, the pace of implementation is expected to accelerate significantly in May-June 1986 as contracts are signed and studies get underway.

- Phase III of the Food Crop Protection project, 657-0012, with a value of \$1.25 million was approved in August 1985 and fully-funded and obligated by April, 1986. This permitted the further development of Integrated Pest Management (IPM) strategies for basic food crops such as rice, cassava, millet and sorghum as well as vegetables. This new funding for the Phase III is almost evenly divided between technical assistance (PASA with USDA), long-term academic studies and commodities. The PASA with USDA for technical assistance under Phase II of the project has now been renegotiated to include technical assistance under Phase III of the project.

- The PID for the Agro-Industrial Fund project, 657-0013, the second phase of the Trilateral has already been approved by AID/W for LOP \$4 million. A two-phase design and project approval originally scheduled for FY 1986 was delayed because of host country contracting problems in the implementation of the Technical Skills Training project, the first phase. The two-phase design is now expected to begin in late FY 1986 and early FY 1987, to be followed by the PP approval in FY 1987. This project, when approved, will provide credit for small-scale agro-industrial loans to the private sector.

- A multi-year food-aid program is planned to address the country's structural food deficit problem. A study undertaken by Purdue University in FY 1984 favorably assessed Guinea-Bissau's potential for a P.L 480 Title II, section 206 program. A PID for a P.L 480 Title II, section 206 program will be developed and submitted to AID Washington for review and approval in late FY 1986, to be followed by PP design in early FY 1987 with full approval and call forward the same year.

- Training under bilateral projects and two regionally funded programs. The training of Guineans to help alleviate the country's critical manpower shortages continues to be a Mission priority. In FY 1986 two participants sent to the U.S. for B.S. degrees in agronomy under the Rice Production project (657-0009) will return and begin working at the Contuboel project site. A participant funded under the African Manpower Development Program (AMDP) completed an Associate Degree in Agribusiness in FY 1986 and is now working at the Ministry of Rural Development and Fisheries. A.I.D Bissau received a total of \$420,000 in FY 1985 and \$140,000 to date in FY 1986 under AMDP. These funds were used to send four participants for long-term training in the U.S. and third countries (Brazil and Portugal) in the areas of agronomy, extension services, home economics and public accounting. In FY 1985 and FY 1986 A.I.D Bissau placed greater emphasis on using AMDP funds for short-term training and attendance at seminars as a means of upgrading the skills and technical knowledge of selected GOGB officials. Seven participants took advantage of this short-term training in FY 1985. In FY 1986 A.I.D Bissau is planning to send eight participants to short-term training courses in the U.S. and third countries under AMDP to improve knowledge in dairy processing, livestock research, health and statistics. In January 1986, AMDP funds were used to conduct an in-country seminar on improved seed technology using outside consultants from Mississippi State. The seminar successfully brought together two leading experts in seed technology and twenty seed extensionists at minimal cost. A.I.D Bissau is planning three in-country seminars on water control and rice production, improved agricultural techniques and private sector development related topics in FY 1986 using AMDP funds. In FY 1985 A.I.D Bissau sent four participants to the U.S. for B.S. degree programs in agriculture extension and research, rural sociology, and public administration under the African Graduate Fellowship Degree Program (AFGRAD), administered by the African American Institute. In FY 1986 five participants have been nominated, three of which will be pursuing M.A degree programs in forestry, fisheries and public administration.

C. Forward Plan:

Project implementation in Guinea-Bissau is very slow owing to difficulty in finding qualified technicians with Portuguese language capability; the lack of infrastructure which necessitates construction of housing for technical advisors; and the unavailability of basic shelf items and spare parts locally. Projects with construction components have large pipelines because of slow start-up of field activities and the needed importation of building commodities and equipment. Many of the goals envisioned in last year's ABS are just beginning to be realized, and this has occurred as a result of considerable effort on the part of the Mission.

- Rice Production project, 657-0009. The final phase-out of this activity will occur in late FY 1987. At that time management systems will be in place, two trained participants will replace U.S technical assistance. The credit program implemented in FY 1986 will be self-sustaining with participating villages relying on GOGB officials for needed commodities. Full transfer of technology will have occurred by the PACD. An evaluation to identify successful components to be replicated under the new Food Diversification and Production project will be undertaken.

- South Coast Agricultural Development Project, 657-0010: The selection of a construction contractor was made in early CY 1986 and the completion of the construction phase foreseen by early calendar year 1987. Also to be finalized is the PIO/T for the planned technical assistance. It is crucial that the technical assistance begin early while awaiting completion of construction to ensure the accomplishment of stated project goals. Emphasis will be placed on developing scopes-of-work which reflect the needs of the project and the training of counterparts to replace the TA by the end of the project. Continued emphasis will be placed on long- and short-term training and in-country training. In addition to the three long-term participants now in the U.S. training courses will be conducted for selected mid-level technicians of the GOGB's Department of Hydrology and Soils (DHAS) as well as planned in-country workshops and seminars. The project activities will, through a coordinated program, expand the areas under production, increase yields from existing paddy areas, build up an institutional capacity through training and introduction of effective management systems, and improve construction capacity. At the end of the project period, the project will provide a sound basis for the continued rehabilitation of damaged and abandoned paddy areas in other parts of the country. More importantly it will leave in place the essential agricultural support services for use by the Government to gradually expand into other areas and reach more farmers.

- Technical Skills Training project, 657-0011. The results of the two studies to identify the types of agro-industrial businesses and private sector potential will be completed. GOGB and A.I.D Bissau will begin to implement the recommendations in early FY 1987 for small loans from the experimental credit fund. The technical assistance to the bank will arrive in country in early FY 1987 and begin to identify candidates for loans in the private sector, and begin the management of the experimental loan fund. Procurement of needed equipment and material for both the National Bank of Guinea Bissau (BNGB) and the Institute for Professional Training (ITFP) will be finalized and shipped. Final design of the follow-on activity, Agro-Industrial Fund project, 657-0013, with LOP \$4 million, will be completed in early FY 1987. PP approval and obligation of \$1 million is anticipated by mid FY 1987. These funds will provide additional credit to finance identified small scale agro-industrial businesses for the private sector.

- Phase III of the Food Crop Protection project, 657-0012, began with a total LOP funding of \$1.25 million for a five year period and is considered the final stage of making the National Crop Service a viable and responsive institution. Continued U.S. guidance will still be necessary in technical areas, such as development of a national policy on pesticide usage and planning quarantine laws. A special emphasis will continue to be placed on securing alternate donor support for items such as commodity procurement, long-term technical assistance and training. Now that Guinea-Bissau is a member of the CILSS, requests for alternate donor assistance will routinely be channeled through that body. Short-term technical assistance will continue to be provided to assist the Government in various areas such as control of the cassava mealybug, nematodes, and other Integrated Pest Management (IPM) areas of concern. Four participants will be sent for long-term training in the U.S., two at the M.A degree level. In addition, A.I.D Bissau will increase short-term training in third countries as well as in-country training in fields related to Crop Protection Services.

- The Agro-Industrial Fund project, 657-0013 will be designed and PP approved in FY 1987. This will be followed by the obligation of \$1 million and the implementation of credit to continue loans for agro-industrial businesses identified under the Technical Skills Training project, 657-0011.

- The proposed Rice Production II project noted in the previous ABS will be integrated into a broader based Food Diversification and Production project, 657-0014. This project will encompass the successful components of the existing Rice Production project, 657-0009, and will expand into secondary and seasonal crops as well as rice production to achieve a year round food production scheme. A PID for the Food Diversification and Production project will be prepared and submitted to AID/W the end of FY 1987, to be followed by PP design and approval in early FY 1988. The new project will replicate the appropriate technology in rice production into new areas of Zones I and II and expand extension services and training in other cereals and fruit crops. It will provide funds for research to introduce new crops and crops suitable for seasonal production. The new project will fund two extensionists in the areas of rice production and legumes/vegetables and a home economist. Short-term technical assistance will be provided as needed to augment the long-term assistance. The intention of this project is to reach 7,000 small farm families by establishing satellite stations in the two zones at key crop production centers.

- The PP design for the P.L 480 Title II, section 206 program will be completed and approved in early FY 1987. This type of multi-year programming of food-aid will attempt to address the country's structural food deficit problems and will be tied to policy reforms. A.I.D Bissau will request the first 5,000 MTs of commodities for delivery by the end of FY 1987, and will begin programming proceeds for identified self-help development activities as defined in the PP.

- The FY 1987 Country Training Plan requests \$500,000 to continue training in key sectors which complement the A.I.D Bissau objectives and to help alleviate the manpower shortages in-country. Special emphasis will be placed on long term training in the agricultural sector as well as short term training to upgrade the skills of GOGB officials. In-country seminars using outside consultants will be a part of the program. In FY 1988 A.I.D plans to continue the above focus on training and requests approval of a level of \$500.000.

D. Policy Dialogue Plan

A.I.D Bissau plans to continue policy reform discussions with the GOGB through both formal and informal fora. Policy reform emphasis will correspond with A.I.D.'s on-going development objectives in Guinea Bissau namely in the areas of (1) increasing farm gate prices and providing incentives to farmers to increase and expand food production; (2) a greater role of the private sector in the economy in the areas of marketing and distribution of cereals and exports; (3) increased privatization of retail stores held by two public trading companies; and (4) improved GOGB management and implementation of A.I.D bilateral projects. Given the staffing limitations and the nature of the Mission's portfolio, project evaluations, attendance at international meetings on Guinea Bissau and the Trilateral Agreement with the Government of Guinea Bissau and Government of Portugal are the primary vehicles for policy dialogue. In FY 1986, A.I.D Bissau used PD&S funds to conduct a study of the GOGB budgets for 1984 and 1985. The results of the findings were shared with the GOGB and key members of the international donor community. This provided an additional opportunity for dialogue and AID plans to use future year PD&S funds for special country analyses which benefit both the GOGB and A.I.D Bissau in planning.'

In FY 1986 a program was initiated of inviting key GOGB officials to visit A.I.D Bissau and explain the functions, goals and purpose of their respective ministries and agencies. The response has been encouraging and has afforded an opportunity to exchange information about government organizations and development goals. We plan to continue this program and will expand it to include other international organizations and donors active in Guinea-Bissau.

Evaluations of bilateral projects have served as a means of pointing out project problems which could seriously limit implementation. In FY 1986 an in-depth evaluation of the P.L 480 Title II emergency food-aid program provided the occasion to press for better reporting and accountability for U.S. donated food-aid. The GOGB, in response to recommendations by the outside financial consultant, agreed to institute better reporting requirements and to provide information in a timely manner on distribution, sales and accountability of U.S. food aid. Meetings on project related issues provide a less formal setting for discussions on problems and policies which constrain project implementation. The GOGB has been receptive to criticism and encourages exchange of views on the problems facing the country more openly in less formal settings.

Formal meetings such as Round Tables on Guinea Bissau's economic and socio-economic problems provide key fora for policy discussions and dialogue with the government and other donors. A.I.D. Bissau recently attended two sectoral meetings on Guinea Bissau in the areas of health and non-governmental organizations held in Bissau in October and February respectively. Although not active in either sector, A.I.D. attended as an observer and used these opportunities to exchange views with GOGB officials as well as donors active in Guinea-Bissau.

A.I.D. will continue its coordination and dialogue with other donors on Guinea Bissau's economic and development issues and participate in donors' sponsored meetings which complement A.I.D. Bissau's development objectives. A planned sectoral meeting on agriculture in September 1987 will provide an opportunity for A.I.D. Bissau to play an active part in defining further reforms needed in that area.

FY 1988 ANNUAL BUDGET SUBMISSION
 TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT (\$000)
 Country GUINEA-BISSAU

		FY 1985	FY 1986	--FY 1987--	FY 1988	-----PLANNING PERIOD-----				
		ACTUAL	ESTIMATE	CP ESTIMATE	AAPL	1989	1990	1991	1992	

AGRICULTURE, RURAL DEVELOPMENT,										
NUTRI- TION	TOTAL	2500	2000	2000	2000	2000	2000	2000	2000	2000
	GRANTS	2500	2000	2000	2000	2000	2000	2000	2000	2000
	LOANS	--	--	--	--	--	--	--	--	--
POPULATION PLANNING										
	TOTAL	--	--	--	--	--	--	--	--	--
	GRANTS	--	--	--	--	--	--	--	--	--
	LOANS	--	--	--	--	--	--	--	--	--
HEALTH										
	TOTAL	--	--	--	--	--	--	--	--	--
	GRANTS	--	--	--	--	--	--	--	--	--
	LOANS	--	--	--	--	--	--	--	--	--
EDUCATION										
	TOTAL	1000	500	--	--	--	--	--	--	--
	GRANTS	1000	500	--	--	--	--	--	--	--
	LOANS	--	--	--	--	--	--	--	--	--
ECON. DEV. ACT.										
	TOTAL	--	--	--	--	--	--	--	--	--
	GRANTS	--	--	--	--	--	--	--	--	--
	LOANS	--	--	--	--	--	--	--	--	--
FUNCTIONAL										
	SUBTOTAL	2500	2000	2000	2000	2000	2000	2000	2000	2000
	GRANTS	2500	2000	2000	2000	2000	2000	2000	2000	2000
	LOANS	--	--	--	--	--	--	--	--	--
DISASTER)										
	TOTAL	--	--	--	--	--	--	--	--	--
	GRANTS	--	--	--	--	--	--	--	--	--
	LOANS	--	--	--	--	--	--	--	--	--
A ACCOUNTS										
	TOTAL	2500	2000	2000	2000	2000	2000	2000	2000	2000
	GRANTS	2500	2000	2000	2000	2000	2000	2000	2000	2000
	LOANS	--	--	--	--	--	--	--	--	--
SF										
	TOTAL	--	--	--	--	--	--	--	--	--
	GRANTS	--	--	--	--	--	--	--	--	--
	LOANS	--	--	--	--	--	--	--	--	--
A & ESF										
	TOTAL	2500	2000	2000	2000	2000	2000	2000	2000	2000
	GRANTS	2500	2000	2000	2000	2000	2000	2000	2000	2000

L 480	TITLE I	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)
	TITLE III	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)
	TITLE II	(400)	(--)	(1700)	(2000)	(2000)	(2500)	(--)	(--)	(--)
USING										
GARANTEES										
		--	--	--	--	--	--	--	--	--

TOTAL PERSONNEL										
	SDH WORKYEARS			4.0	4.0	4.0				
	JDH WORKYEARS			0.0	0.0	0.0				

COUNTRY GUINEA-BISSAU

AFRICA BUREAU TABLE I
 ACTUAL MANAGEMENT UNITS REQUIRED FOR MISSION AND PROJECT ADMINISTRATION - FY-86
 (in person months per year)

	U.S. PERSONNEL			FOREIGN SERVICE NATIONALS			THIRD COUNTRY NATIONALS			AID/W-TDY	TOTALS
	USDH	OE FUNDED	PROJECT*	FSNDH*	OE FUNDED	PROJECT	TOMH	OE FUNDED	PROJECT		
<u>Administrative Functions</u>											
Program Management	20				20					4	40 1/2
Financial Management (B&F)			8		24		12			4	44 1/2
Administrative Management		03		75	35					4	125 1/2
<u>Field Functions</u>											
General Proj.	1 1/2										
002 Agricultural Development	1 1/2				4					4	2 1/2
007 Food Crop Protection	1		10						2	1	14
009 Rice Production	3 1/2		36		24			24		4	74 1/2
010 South Coast Agricultural Development	6				14				1	1 1/2	10 1/2
011 Technical Skills Trg.											2
012 Food Crop Prot. III			17 1/2						4	1	24
013 Agro-Industrial Fund											
<u>LOCAL PROJECTS</u>											
ANDP					04						05

** No FSNDH category all casual hires

Includes PASA & local personnel

COUNTRY GUINEA-BISSAU

AFRICA BUREAU TABLE II

FY 1988 ANNUAL BUDGET SUBMISSION
 MODIFICATIONS TO AUTHORIZED & PLANNED
 LIFE OF PROJECT COST & PROJECT COMPLETION DATE

<u>Project Number</u>	<u>Project Name</u>	<u>Date of Initial Obligation</u>	<u>Authorized LOP (\$) In Proj. Agmt.</u>	<u>Current LOP</u>	<u>Proposed Amendment To LOP (\$)</u>	<u>Original PACD In Proj. Agmt.</u>	<u>Current PACD</u>	<u>Proposed PACD</u>
657-0009	Rice Production	80	\$ 4,500,000	\$ 4,500,000	\$ 400,000	9/30/87	9/30/87	No Change
657-0010	South Coast Agric Development	83	\$ 5,500,000	\$ 5,500,000	\$ 40,000*	9/30/89	9/30/89	12/31/90

* To reflect FY 1984 deob/reob funds from a former project. It will be a paper transaction only.

Country GUINEA-BISSAU

FY 198 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

PROJECT NUMBER AND TITLE	OBLIG G DATE	-TOTAL COST L INIT FIN AUTH PLAN	OBLIG THRU FY R	FY 6 PIPE LINE	ESTIMATED U.S. DOLLAR COST (\$000)			FY 8 AAPL	PEACE CORPS	ITEM
					OBLIG THRU FY R	EXPEND ATTIONS	EXPEND ATTIONS			
AGRICULTURE, RURAL DEV & NUTRITION										
657-0000 Prog Dev & Sup					(30)	(30)	(80)	(50)		
657-0002 Agric Dev G	77/80	2350	2350	136		136				
657-0007 Food Crop Prot	G 78/83	1839	1839	609		609				
657-0009 Rice Production	G 80/86	4900	4500	1959	400	1000		959		
657-0010 South Coast Agri Development	G 83/87	5500	3720	3508	1350	2800	470	1500		
657-0012 Food Crop Prot III	G 85/86	1250	1000	1000	250	100		200		
657-0013 Agro-Indus. Fund	G 87/89	4000					1530	1500		1500
657-0014 Food Diversification and Production	G 88/92	6000						500		
Appropriation Total										
Grant		15839	13409	7212	2000	4645	2000	4159		2000
Loan		15839	13409	7212	2000	4645	2000	4159		2000
Education and Human Resources										
657-0011 Technical Skills	G 84/85	1500	1500	1490		500		800		
Appropriation Total										
Grant		1500	1500	1490		500		800		

AFRICA BUREAU TABLE IV
FY 1988 ANNUAL BUDGET SUBMISSION

Project #	Project Name	PVO Name (US/Non-US)	Functional Account	Span of PVO LOP	PVO LOP For Total Project and % of Total	PVO ACTIVITY		
						FY-86 Obligations	FY-87 Obligations	FY-88 Obligations

No PVO Activity at this time

Project Number: 657-0014
Project Title: Food Diversification and Production
Proposed FY 88 funding \$500,000
LOP: \$6 million

Purpose:

The proposed Rice Production II project noted in the previous ABS will be integrated into a broader-based Food Diversification and Production project, 657-0014. The project will encompass the successful components of the existing Rice Production project, 657-0009, and will expand into secondary and seasonal crops as well as rice production in order to achieve a year-round food production scheme. The new comprehensive Food Diversification and Production project is in conformity with the Mission's strategy of food self-sufficiency, in that it will emphasize diversification of crops to maximize land as well as water resources throughout the year. The food crop production schemes to include such crops as vegetables and fruit production, as well as rice and secondary crops such as sorghum, corn, millet, cassava and cowpeas.

Problem:

Guinea-Bissau continues to be dependent on food imports to meet its population's basic cereal needs. It is a small country that gained little from its period of colonial rule in terms of real development. The effects of the war of independence have not been completely overcome, with much of the infrastructure in the country in very poor shape and large areas of formerly cultivated land abandoned and still out of production. Prior to the war for independence, Guinea-Bissau was self-sufficient in cereals and was even an exporter of cereals. Since the war, however, the country has been dependent on either imported food-aid from various international donors, or having to use its scarce foreign exchange for commercial imports. The amount of food imported each year varies, depending upon production results, climatic conditions, labor force constraints as well as the availability of inputs such as seeds. In order to reduce this dependence on primarily a one-crop system (rice), the emphasis on production needs to be one of diversification away from rice and into other seasonal, and/or secondary-type cropping mixes to include such crops as vegetables and fruit trees which impact on family nutrition and have some export potential. In order to serve this purpose, technical assistance as well as continued selected commodity support will continue to be required.

Discussion:

The Department of Agricultural Experimentation and Research (DEPA) under the GOCB's Ministry of Rural Development and Fisheries is, in its project planification, attempting to carry out the government's goal of food self-sufficiency. DEPA will soon have the institutional capability and the necessary supporting infrastructure to service a greater number of small farmers. Under the Rice Production project, 657-0009, DEPA has conducted training programs for farmers and began the practice of more appropriate techniques for rice production. Their extension service is responsive to area farmers and the establishment of a credit scheme for distribution of agricultural inputs and small tools is nearing completion. A type of credit program was started under the Rice Production project for a limited number of farmers associated with the implementation of the project according to the newly introduced production techniques. As such, the type of interest rates under this credit scheme were as state-subsidized fixed rate established by the government throughout the country.

This proposed project would assist DEPA's expansion into new areas, servicing more small farmers through extension services, training, and the provision of needed tools and agricultural inputs through the established credit arrangement. The replication of identified successful production techniques from the Rice Production project will be major components of this activity. It will optimize learned appropriate technology, usage of technical assistance and replicable components from the Rice Production project to expand production into a year-round scheme using major and secondary crops to include vegetables and fruit tree production. In addition, it will introduce new crops and emphasize a more efficient use of land. The project will attract women who are the major small farmers in village cooperatives into the year round production scheme.

A threshold evaluation of the Rice Production project was conducted in October/November 1984 for purposes of determining the direction and continuation of the project. The REDSO/WCA supported evaluation found that the implementation problems were primarily the result of overly-sophisticated technical design and an inappropriate technical assistance mix. Recommendations were made to scale down the project and to modify the mix of technicians. The original project purpose, however, remained unchanged. The new proposed project has taken the evaluation results into consideration and will continue providing extension services to promote appropriate technology (contour diking, dam construction) into new areas surrounding Contuboel. These new areas, such as Gabu, Bafata, and Bambadinca, will form the nuclei for the to-be-established satellite facilities and reinforce extension services from these satellites.

Project funding would provide: (1) limited technical assistance; (2) training of community project coordinators for liaison between small

farmers and DEPA; (3) a workable credit system for distribution of small tools and inputs; and (4) tools, implements and rice milling machines for distribution to area farmers. One component of the new project includes the delivery of small hand tools, small agricultural equipment, and ox carts to farmers. The Mission plans to discuss with the GOGB the possibilities of using a private purchasing concern to handle the procurement of these items as well as other project-related services. The technical assistance would consist of one extensionist in rice production; one extensionist in legumes and fibres to include vegetables; one home economist/nutritionist, and one extension training officer

Project Funding:

LOP is \$6 million with initial funding of \$500,000 in FY 1988 and larger increments the third and fourth years when credit will be in place for procurement of agricultural inputs. The financial plan for the LOP is:

Technical assistance	\$1,500,000
Training	600,000
Studies and Evaluation	100,000
Construction	1,200,000
Furniture/Equipment	150,000
Commodities	1,500,000
Operating costs.....	450,000
Support costs	300,000
Contingency	300,000
Total	6,000,000

The GOGB is not able to undertake total recurrent cost financing. However, it will assume responsibility for a large portion of local costs and will increase its commitment in successive years.

Target Group:

Approximately 7,000 small farm families located in Zones I and II, in and around Contuboel, and the satellite stations. They would benefit directly from the extension services, training and the distribution of agricultural tools, as well as credit under the project. The second group of beneficiaries would be the small proprietors and the community benefitting from the increased production and income.

Proposed PID and PP Approval Time-frame:

The Mission plans to begin preparing the Project Identification Document (PID) and completing it by March 1987 following the semi-final evaluation of the existing Rice Production project, 657-0009 in May/June 1987. It is then anticipated that with the assistance of REDSO/WCA technicians, the final PP design will be undertaken and approved by July 1988.

Guinea-Bissau - FY 1987 Country Training Program:

General objectives of training and relationship to Mission and Country priorities: The goal of the FY 1987 country training plan continues to be assisting the Government of Guinea-Bissau (GOGB) in alleviating its critical shortage of skilled manpower and human resources. As A.I.D. is engaged in development programs in agriculture and private sector development, priority will be given to areas which directly complement these programs as well as to other areas of training identified by the GOGB namely agriculture, forestry, fisheries, statistics, accounting and public administration.

Problem: The lack of trained manpower affects all sectors of the Guinean economy. While sponsored donor scholarship programs have accomplished training at the ministerial and department levels, there are still critical shortages of trained and skilled manpower at the mid-level and in key areas of data collection (statistics), administration, management, and accounting. Students seeking higher education must leave the country and go abroad because educational facilities beyond the secondary level (high school) are not available in-country.

Justification: The regional African Manpower Development Program (AMDP) has become an integral part of A.I.D. Bissau's development strategy. AMDP funds augment limited bilateral training funds for long-term training and permit flexibility in meeting short-term training objectives of both the GOGB and A.I.D. Bissau.

As in FYs 1985 and 1986, A.I.D Bissau plans to emphasize short-term technical courses and attendance at seminars and conferences to upgrade the skills and knowledge of GOGB officials. A greater number of participants can be reached, at significant savings, through in-country seminars on technical issues. Priority areas of training will include private sector development in conjunction with the Technical Skills Training project, 657-0011, in the areas of agribusiness and credit.

Funding Level Request: A.I.D. Bissau requests \$500,000 in FY 1987 to fund the following types of training activities:

A) Long-Term Training Program (U.S.A): \$310,000

<u>Field of Study</u>	<u>Amount in U.S. \$.</u>	<u>Financial Account</u>
4 year B.S deg Statistics /Lang.	\$120,000	EHR
2 year A.D/Agri- business/Lang.	70,000	ARDN
4 year B.S deg. Agr. Credit/Mgt. Lang.	120,000	ARDN

B) Short-Term Technical Courses (U.S.A/Third Countries) \$100,000

<u>Field of Study</u>	<u>Amount in U.S. \$</u>	<u>Financial Account</u>
3 courses Agri/Nutr.	36,000	ARDN
3 courses in Agr/Nutr in third countries.	15,000	ARDN
2 courses in US health/pop/etc	24,000	EHR
2 courses in third countries in health/pop/adm/mgt	10,000	EHR
Misc. courses - to be identified	15,000	ARDN

C) In-Country Seminars: \$90,000

<u>Field of Seminar</u>	<u>Amount in U.S. \$</u>	<u>Financial Account</u>
Private Sector Development	30,000	EHR
Agri Credit Mgt.	30,000	EHR
Tech area to be identified	30,000	EHR

Guinea-Bissau - FY 1988 Country Training Program:

General objectives of training and relationship to Mission and Country priorities: The goal of the FY 1988 country training program, as that of past years, is to assist the Government of Guinea Bissau (GOGB) in alleviating its critical shortage of skilled manpower and human resources, especially in those areas which complement A.I.D.'s development objectives.

Problem: The lack of trained manpower in key sectors of the economy continues to deter the country's full development. Guinea-Bissau will remain dependent on donors' scholarship programs until such time as institutions of higher learning can be established. The costs associated with establishment of higher learning institutions in-country are presently prohibitive owing to the poor state of the economy and other priorities. The country will need to develop a cadre of mid-level and skilled manpower in the 1990s to fully exploit its potential in agriculture, forestry and fisheries. The development of the private sector is dependent on having trained technicians in agribusiness, credit and planning to assist the private sector in assuming a greater role in the economy.

Justification: The regional African Manpower Development Program (AMDP), will remain an integral part of A.I.D. Bissau's development strategy. Planned long- and short-term training under AMDP will directly complement on-going bilateral activities.

The rising costs of long-term training in priority areas have significantly reduced programmed bilateral training funds. AMDP, therefore, provides a valuable resource.

Funding Level Request: \$500,000 in FY 1988 to fund:

- A) Long-term training (in the U.S. and third countries) - four years at B.S degree; two-year associate degree level in identified priority areas - \$310,000.
- B) Short-term technical courses (in the U.S. and third countries) of up to one month duration or more, in agriculture and nutrition related as well as in the areas of health, population, private sector, administration/statistics. - \$90,000
- C) Four in-country seminars - expected to play a major role and cover areas suggested by GOGB as priority areas - \$100,000.

Local Currency Use Plan

Local currencies from the sales of P.L 480 Title II emergency food-aid donations to date have been maintained in a separate local account and jointly programmed by A.I.D Bissau and the GOGB for activities designed to achieve development objectives, with primary emphasis on food self-sufficiency and alleviating drought. Past authorized uses of these counterpart funds include purchase of improved rice seeds and their distribution to farmers; transport of fertilizer to farmers; construction of regional training and extension centers; and in-country seminars on improved agricultural techniques for farmers and GOGB officials.

The FY 1984 shipment of 9,000 MTs of commodities generated net proceeds of 135 million Guinea-Bissau Pesos (GBP). In early FY 1985, A.I.D Bissau and the GOGB approved 30 million GB Pesos to procure rice seeds for the 1985 agricultural campaign and combat a grasshopper problem in-country; and 17.8 million GB Pesos for support of integrated rural development activities in Zone 1. In FY 1986, 58 million GB Pesos (\$300,000) was transferred to the Technical Skills Training project, 657-0011, to fund local training costs and studies on agri-business and private sector potential in Guinea-Bissau. The remaining FY 1984 proceeds are programmed to support other Ministry of Rural Development and Fisheries activities which increase food production.

The emergency food-aid shipment in FY 1985 of 3,000 MTs of sorghum, generated 56 million GB Pesos. These funds were specifically earmarked for activities which involved agriculture and forestry extension services. To date 8 million GB Pesos have been provided to MRD/F Department of Agricultural Research and Experimentation and the Forestry to procure rice seeds and seedlings. The remaining balance will be used to support on-going land reclamation work under the South Coast Agricultural Development project, 657-0010 and for extension services in Zone 1.

In FY 1986 (February) A.I.D. Bissau conducted an in-depth financial review and evaluation of the P.L 480 Title II emergency food-aid program. It was the first time a review of the program had been undertaken since its inception in 1977. The services of an outside financial firm (Price-Waterhouse) and REDSO/WCA were used. The financial review focussed on GOGB accountability for receipt, distribution, sales and deposit of P.L 480 counterpart funds into the joint A.I.D./GOGB account. The evaluation focussed on the management and programming and the end-use of proceeds generated. The financial review was able to account for all net proceeds generated including the FY 1984 and FY 1985 shipments. Recommendations on revised reporting requirements, improved procedures and accountability were contained in the final reports and have been accepted by the GOGB for implementation.

A P.L 480 Title II, section 206 program is planned to begin in FY 1987 and will fully program future sales proceeds generated for identified self-help activities at the time of the PP.

FY 1988 ANNUAL BUDGET SUBMISSION
 Table VI: Expenditures of Local Currency Generations
 (all in the U.S. dollar equivalents, and in \$ millions)

<u>Source/Purpose</u>	<u>1985 ACTUAL</u>	<u>1986 ESTIMATE</u>	<u>1987 PLANNED</u>	<u>1988 PROPOSED</u>
I. <u>ECONOMIC SUPPORT FUND</u>				
A. Public Development Activities	-	-	-	-
1. e.g. Agriculture Research (also indicate the amount of this counterpart which is in direct support of AID projects)				
2.				
B. Private Sector Programs	-	-	-	-
1.				
2.				
C. Public Sector Recurrent Budget	-	-	-	-
1.				
2.				
D. AID Operating Expenses (Trust Funds)	-	-	-	-
II. <u>DEVELOPMENT ASSISTANCE</u>				
A. Public Development Activities	-	-	-	-
1.				
2.				
B. Private Sector Programs (also include type of organization, e.g. PVO, Coop, Business, Other)	-	-	-	-
1. e.g. PVO, Small Enterprise Development		-	-	-
2. e.g. Coop, Housing				
C. Public Sector Recurrent Budget	-	-	-	-
1.				
2.				
D. AID Operating Expenses (Trust Funds)	-	-	-	-

FY 1988 ANNUAL BUDGET SUBMISSION
Table VI: Expenditures of Local Currency Generations
(all in the U.S. dollar equivalents, and in \$ millions)

<u>Source/Purpose</u>	<u>1985 ACTUAL</u>	<u>1986 ESTIMATE</u>	<u>1987 PLANNED</u>	<u>1988 PROPOSED</u>
III. <u>PL 480</u>				
A. Public Development Activities				
1. Agriculture Research				
2. Extension Services	.2	.1	.1	
3. Forestry	.050	.025	.1	
B. Private Sector Programs				
1. Institute of Prof. Trg.	.2			
2. National Bank of GB	.1			
C. Public Sector Recurrent Budget				
1. e.g. Family Planning Delivery Personnel (also indicate the amount of this counterpart which is in direct support of AID projects)				
2. Agriculture or other subsidies	.050	.075		
D. AID Operating Expenses (Trust Funds)				
TOTALS	.3	.5	.2	

REGIONAL AND CENTRALLY FUNDED ACTIVITIES

<u>Project #</u>	<u>Project Name</u>	<u>Organization Implementing (US/Non US)</u>	<u>Functional Account</u>	<u>LOP (Yrs)</u>	<u>LOP (\$000)</u>	<u>FY-86 OBLIGATIONS</u>	<u>FY-87 OBLIGATIONS</u>	<u>FY-88 OBLIGATIONS</u>
698-0135	Program Deve & Support Funds	AID/Bissau	ARDN	86-88		\$ 30,000	\$ 75,000	\$ 75,000
698-0433	African Manpower Dev	USAID	EHR/ARDN	86-88		\$140,000	\$500,000	\$500,000
698-0438	African Private Enterprise Funds	AID/AFR and AID/B	ARDN &SDA	86-88		\$ 25,000	\$ 50,000	\$ 50,000
698-0455	African Graduate Fellowship Prog	AAI/NY and AID Bissau	EHR	86-92		varies	varies	varies
698-9901	Self-Help	AID Bissau		86-88		\$ 15,000	\$ 25,000	\$ 25,000

TABLE VII - LIST OF PLANNED EVALUATIONS
 FY 1988 ANNUAL BUDGET SUBMISSION
 COUNTRY/OFFICE GUINEA-BISSAU

Project List (Project No. & Title)	FY 1987		FY 1988		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral Assistance
	Completed (No./Yr.)	Start To End (Qtr)	Completed (No./Yr.)	Start To End (Qtr)				
<u>Agriculture, Rural Dev. and Nutrition</u>								
1. Rice Production 657-0009	10/84	1	1		PACD 9/87 PES to assess impact and achieve- ment of project objectives and replicate components in prepara- tion of project design of Rice pro- duction II.	Project 25	14	REDSO/PDO and Agronomist 2 outside consultants Rice specialist/Hydrologist
2. South Coast Agricultural Development 657-0010	-	2	2		PACD 9/89 PES - mid-term evaluation	Project 15	14	REDSO/MCA PDO and Water Hydrologist (1) outside consultant - Rice Production/Extensionist
3. Food Crop Protection III 657-0012	-	4	4		PACD 9/90 Mid-term evaluation to assess impact of	PD&S 25	10	REDSO/MCA - PDO 2 outside consultants 1 Entomologist 1 Crop Protection Specialist
<u>Education and Human Resources</u>								
4. Technical Skills Training 657-0011	-	2	2		PACD 9/88 Mid-term evaluation in conjunction with design of PP Agro-Industrial Fund project 657-0013	Project 30	14	REDSO/MCA - PDO 2 outside consultants 1 Credit Specialist 1 Agro-Business Specialist

FY 1987 ANNUAL BUDGET SUBMISSION
TABLE VIII - FY 1986

<u>EXPENSE CATEGORY</u>	<u>FUNC. CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLARS</u>	<u>TRUST FUNDS</u>	<u>UNITS</u>	<u>UNIT COST</u>
<u>U.S. DIRECT HIRE</u>	U100		312.1			
U.S. CITIZENS BASIC PAY	U101	110	169.3		4	42.3
PT/TEMP U.S. BASIC PAY	U102	112				
DIFFERENTIAL PAY	U103	116	42.3			XXXXXX
OTHER AID/W FUNDED CODE 11	U104	119	1.5			XXXXXX
OTHER MISSION FUNDED CODE 11	U105	119	2.6			XXXXXX
EDUCATION ALLOWANCES	U106	126	25.8		4	6.5
RETIREMENT - U.S. DIRECT HIRE	U107	120	11.8			XXXXXX
LIVING ALLOWANCES	U108	128	0.7			XXXXXX
OTHER AID/W FUNDED CODE 12	U109	129	5.5			XXXXXX
OTHER MISSION FUNDED CODE 12	U110	129	0.4			XXXXXX
POST ASSIGNMENT - TRAVEL	U111	212	8.0		4	2.0
POST ASSIGNMENT - FREIGHT	U112	22	22.0		4	5.5
HOME LEAVE - TRAVEL	U113	212	12.0		1	12.0
HOME LEAVE - FREIGHT	U114	22	3.0		1	3.0
EDUCATION TRAVEL	U115	215	5.07		4	1.3
R AND R TRAVEL	U116	215	2.2		1	2.2
OTHER CODE 215 TRAVEL	U117	215	7			
<u>FOREIGN NATIONAL DIRECT HIRE</u>	U200					
BASIC PAY	U201	114				
OVERTIME, HOLIDAY PAY	U202	115				
ALL OTHER CODE 11 - FN	U203	119				XXXXXX
ALL OTHER CODE 12 - FN	U204	129				XXXXXX
BENEFITS FORMER FN PERSONNEL	U205	13				XXXXXX
<u>CONTRACT PERSONNEL</u>	U300					
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113				
ALL OTHER U.S. PSC COSTS	U303	255				XXXXXX
F.N. PSC - SALARY/BENEFITS	U304	113				
ALL OTHER F.N. PSC COSTS	U305	255				XXXXXX
MANPOWER CONTRACTS	U306	259				
JCC COSTS PAID BY AID/W	U307	113				
<u>HOUSING</u>	U400		116.1			
RESIDENTIAL RENT	U401	235	43.2		4	10.8
RESIDENTIAL UTILITIES	U402	235	11.6			XXXXXX
MAINTENANCE AND RENOVATION	U403	259	30.0			XXXXXX
QUARTERS ALLOWANCES	U404	127				
RESIDENTIAL FURNITURE/EQUIP.	U405	311				XXXXXX
TRANS./FREIGHT - CODE 311	U406	22				XXXXXX
SECURITY GUARD SERVICES	U407	254	30.8			XXXXXX
OFFICIAL RESIDENCE ALLOWANCES	U408	254				XXXXXX
REPRESENTATION ALLOWANCES	U409	252	0.5			XXXXXX

FY 1987 ANNUAL BUDGET SUBMISSION

TABLE VIII - FY 1986

(continued)

<u>EXPENSE CATEGORY</u>	<u>FUNC. CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLARS</u>	<u>TRUST FUNDS</u>	<u>UNITS</u>	<u>UNIT COST</u>
<u>OFFICE OPERATIONS</u>	U500		409.1			
OFFICE RENT	U501	234	57.5			XXXXXXXX
OFFICE UTILITIES	U502	234	3.0			XXXXXXXX
BUILDING MAINT./RENOVATION	U503	259	1.0			XXXXXXXX
OFFICE FURNITURE/EQUIPMENT	U504	310	1.1			XXXXXXXX
VEHICLES	U505	312	13.0			XXXXXXXX
OTHER EQUIPMENT	U506	319				XXXXXXXX
TRANSPORTATION/FREIGHT	U507	22	6.5			XXXXXXXX
FURN/EQUIP/VEHICLE REPAIR/MAINT.	U508	259	26.1			XXXXXXXX
COMMUNICATIONS	U509	230	7.0			XXXXXXXX
SECURITY GUARD SERVICES	U510	254	18.0			XXXXXXXX
PRINTING	U511	24				XXXXXXXX
RIG/II OPERATIONAL TRAVEL	U512	210				
SITE VISITS-MISSION PERSONNEL	U513	210	2.0			
SITE VISITS-AID/W PERSONNEL	U514	210				
INFORMATION MEETINGS	U515	210	2.0		2	1.0
TRAINING ATTENDANCE	U516	210	2.0		1	2.0
CONFERENCE ATTENDANCE	U517	210	2.0		3	0.7
OTHER OPERATIONAL TRAVEL	U518	210	1.4		2	0.7
SUPPLIES AND MATERIALS	U519	26	36.0			XXXXXXXX
FAAS	U520	257	230.0			XXXXXXXX
CONSULTING SVCS. - CONTRACTS	U521	259				XXXXXXXX
MGT./PROF. SVCS. - CONTRACTS	U522	259				XXXXXXXX
SPEC. STUDIES/ANALYSES CONT.	U523	259				XXXXXXXX
ALL OTHER CODE 25	U524	259	2.5			XXXXXXXX
TOTAL O.E. BUDGET			837.3			XXXXXXXX
RECONCILIATION			460.4			XXXXXXXX
OPERATING BUDGET REQUIREMENTS			376.9			XXXXXXXX
636C REQUIREMENTS	U600	32				XXXXXXXX
TOTAL ALLOWANCE REQUIREMENTS	U000		376.9			XXXXXXXX

DOLLARS REQUIRED FOR LOCAL CURRENCY EXPENSES
EXCHANGE RATE USED (MARCH 31, 1985)

104,500

185,500 = DOLS 1

Estimated Wage Increase - FY 1985 to FY 1986
Estimated Price Increase - FY 1985 to FY 1986

LOCAL COSTS SUPPORT CHARGED TO PROGRAM FUNDS (DOLS. 84,000.00)

FN PSC SAL/BENEFITS	U 304	58.5
ALL OTHER FN PSC VSTS	U 305	13.5
MANPOWER CONTRACTS	U 306	10.0
SITE VISITS - MISSION PERS.	U 513	2.0
TOTAL		84.0

FY 1987 ANNUAL BUDGET SUBMISSION
TABLE VIII - FY 1987

<u>EXPENSE CATEGORY</u>	<u>FUNC. CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLARS</u>	<u>TRUST FUNDS</u>	<u>UNITS</u>	<u>UNIT COST</u>
<u>U.S. DIRECT HIRE</u>	U100		356.2			
U.S. CITIZENS BASIC PAY	U101	110	174.5		4	43.6
PT/TEMP U.S. BASIC PAY	U102	112				
DIFFERENTIAL PAY	U103	116	43.6			XXXXXX
OTHER AID/W FUNDED CODE 11	U104	119	5.0			XXXXXX
OTHER MISSION FUNDED CODE 11	U105	119	1.0			XXXXXX
EDUCATION ALLOWANCES	U106	126	38.6		5	7.72
RETIREMENT - U.S. DIRECT HIRE	U107	120	12.5			XXXXXX
LIVING ALLOWANCES	U108	128				XXXXXX
OTHER AID/W FUNDED CODE 12	U109	129	1.0			XXXXXX
OTHER MISSION FUNDED CODE 12	U110	129	0.2			XXXXXX
POST ASSIGNMENT - TRAVEL	U111	212	9.5		3	3.2
POST ASSIGNMENT - FREIGHT	U112	22	30.0		3	10.0
HOME LEAVE - TRAVEL	U113	212				
HOME LEAVE - FREIGHT	U114	22				
EDUCATION TRAVEL	U115	215	5.0		4	1.3
R AND R TRAVEL	U116	215	25.3		4	6.3
OTHER CODE 215 TRAVEL	U117	215	10.0		4	2.5
<u>FOREIGN NATIONAL DIRECT HIRE</u>	U200					
BASIC PAY	U201	114				
OVERTIME, HOLIDAY PAY	U202	115				
ALL OTHER CODE 11 - FN	U203	119				XXXXXX
ALL OTHER CODE 12 - FN	U204	129				XXXXXX
BENEFITS FORMER FN PERSONNEL	U205	13				XXXXXX
<u>CONTRACT PERSONNEL</u>	U300		196.4			
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113				
ALL OTHER U.S. PSC COSTS	U303	255				XXXXXX
F.N. PSC - SALARY/BENEFITS	U304	113	106.6		10	10.7
ALL OTHER F.N. PSC COSTS	U305	255	39.8			XXXXXX
MANPOWER CONTRACTS	U306	259	50.0			
JCC COSTS PAID BY AID/W	U307	113				
<u>HOUSING</u>	U400		149.1			
RESIDENTIAL RENT	U401	235	48.0		4	12.0
RESIDENTIAL UTILITIES	U402	235	9.6			XXXXXX
MAINTENANCE AND RENOVATION	U403	259	16.0			XXXXXX
QUARTERS ALLOWANCES	U404	127				
RESIDENTIAL FURNITURE/EQUIP.	U405	311	30.0			XXXXXX
TRANS./FREIGHT - CODE 311	U406	22	15.0			XXXXXX
SECURITY GUARD SERVICES	U407	254	30.0			XXXXXX
OFFICIAL RESIDENCE ALLOWANCES	U408	254				XXXXXX
REPRESENTATION ALLOWANCES	U409	252	0.5			XXXXXX

FY 1987 ANNUAL BUDGET SUBMISSION
TABLE VIII - FY 1987
 (continued)

<u>EXPENSE CATEGORY</u>	<u>FUNC. CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLARS</u>	<u>TRUST FUNDS</u>	<u>UNITS</u>	<u>UNIT COST</u>
OFFICE OPERATIONS	U500		470.3			
OFFICE RENT	U501	234	35.4			XXXXX
OFFICE UTILITIES	U502	234	3.6			XXXXX
BUILDING MAINT./RENOVATION	U503	259	5.0			XXXXX
OFFICE FURNITURE/EQUIPMENT	U504	310	20.0			XXXXX
VEHICLES	U505	312	15.0			XXXXX
OTHER EQUIPMENT	U506	319	30.0			XXXXX
TRANSPORTATION/FREIGHT	U507	22	20.0			XXXXX
FURN/EQUIP/VEHICLE REPAIR/MAINT.	U508	259	15.0			XXXXX
COMMUNICATIONS	U509	230	15.0			XXXXX
SECURITY GUARD SERVICES	U510	254	19.8			XXXXX
PRINTING	U511	24	0.5			XXXXX
RIG/II OPERATIONAL TRAVEL	U512	210				
SITE VISITS-MISSION PERSONNEL	U513	210	8.0		40	0.2
SITE VISITS-AID/W PERSONNEL	U514	210	5.0		1	5.0
INFORMATION MEETINGS	U515	210	5.0		2	2.5
TRAINING ATTENDANCE	U516	210	10.0		2	5.0
CONFERENCE ATTENDANCE	U517	210	8.0		4	2.0
OTHER OPERATIONAL TRAVEL	U518	210	5.0		2	2.5
SUPPLIES AND MATERIALS	U519	26	40.0			XXXXX
FAAS	U520	257	200.0			XXXXX
CONSULTING SVCS. - CONTRACTS	U521	259				XXXXX
MGT./PROF. SVCS. - CONTRACTS	U522	259				XXXXX
SPEC. STUDIES/ANALYSES CONT.	U523	259				XXXXX
ALL OTHER CODE 25	U524	259	10.0			XXXXX
TOTAL O.E. BUDGET			1,172.0			XXXXX
RECONCILIATION			436.6			XXXXX
OPERATING BUDGET REQUIREMENTS			735.4			XXXXX
636C REQUIREMENTS	U600	32				XXXXX
TOTAL ALLOWANCE REQUIREMENTS	U000		735.4			XXXXX

DOLLARS REQUIRED FOR LOCAL CURRENCY EXPENSES
 EXCHANGE RATE USED (MARCH 31, 1985)

132,000
185,5 GP = DOLS 1.0

Estimated Wage Increase - FY 1985 to FY 1986
 Estimated Price Increase - FY 1985 to FY 1986

FY 1987 ANNUAL BUDGET SUBMISSION
TABLE VIII - FY 1988

<u>EXPENSE CATEGORY</u>	<u>FUNC. CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLARS</u>	<u>TRUST FUNDS</u>	<u>UNITS</u>	<u>UNIT COST</u>
<u>U.S. DIRECT HIRE</u>	U100		329.8			
U.S. CITIZENS BASIC PAY	U101	110	179.7		4	44.9
PT/TEMP U.S. BASIC PAY	U102	112				
DIFFERENTIAL PAY	U103	116	45.0			XXXXXXXX
OTHER AID/W FUNDED CODE 11	U104	119	5.0			XXXXXXXX
OTHER MISSION FUNDED CODE 11	U105	119	5.8			XXXXXXXX
EDUCATION ALLOWANCES	U106	126	38.7		5	7.7
RETIREMENT - U.S. DIRECT HIRE	U107	120	12.7			XXXXXXXX
LIVING ALLOWANCES	U108	128				XXXXXXXX
OTHER AID/W FUNDED CODE 12	U109	129	6.4			XXXXXXXX
OTHER MISSION FUNDED CODE 12	U110	129				XXXXXXXX
POST ASSIGNMENT - TRAVEL	U111	212				
POST ASSIGNMENT - FREIGHT	U112	22				
HOME LEAVE - TRAVEL	U113	212	11.5		2	5.8
HOME LEAVE - FREIGHT	U114	22	10.0		2	5.0
EDUCATION TRAVEL	U115	215	5.0		4	1.3
AID R TRAVEL	U116	215				
OTHER CODE 215 TRAVEL	U117	215	10.0		4	2.5
<u>FOREIGN NATIONAL DIRECT HIRE</u>	U200					
BASIC PAY	U201	114				
OVERTIME, HOLIDAY PAY	U202	115				
ALL OTHER CODE 11 - FN	U203	119				XXXXXXXX
ALL OTHER CODE 12 - FN	U204	129				XXXXXXXX
BENEFITS FORMER FN PERSONNEL	U205	13				XXXXXXXX
<u>CONTRACT PERSONNEL</u>	U300		213.0			
AASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113				
ALL OTHER U.S. PSC COSTS	U303	255				XXXXXXXX
F.N. PSC - SALARY/BENEFITS	U304	113	99.0		10	9.9
ALL OTHER F.N. PSC COSTS	U305	255	59.0			XXXXXXXX
MANPOWER CONTRACTS	U306	259	55.0			
PSC COSTS PAID BY AID/W	U307	113				
<u>HOUSING</u>	U400		167.1			
RESIDENTIAL RENT	U401	235	57.6		4	14.4
RESIDENTIAL UTILITIES	U402	235	31.7			XXXXXXXX
MAINTENANCE AND RENOVATION	U403	259	7.3			XXXXXXXX
QUARTERS ALLOWANCES	U404	127				
RESIDENTIAL FURNITURE/EQUIP.	U405	311	15.0			XXXXXXXX
TRANS./FREIGHT - CODE 311	U406	22	5.0			XXXXXXXX
SECURITY GUARD SERVICES	U407	254	50.0			XXXXXXXX
OFFICIAL RESIDENCE ALLOWANCES	U408	254				XXXXXXXX
REPRESENTATION ALLOWANCES	U409	252	0.5			XXXXXXXX

FY 1987 ANNUAL BUDGET SUBMISSION

TABLE VIII - FY 1988

(continued)

<u>EXPENSE CATEGORY</u>	<u>FUNC. CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLARS</u>	<u>TRUST FUNDS</u>	<u>UNITS</u>	<u>UNIT COST</u>
OFFICE OPERATIONS	U500		438.8			
OFFICE RENT	U501	234	41.8			XXXXXXXX
OFFICE UTILITIES	U502	234	4.5			XXXXXXXX
BUILDING MAINT./RENOVATION	U503	259	6.0			XXXXXXXX
OFFICE FURNITURE/EQUIPMENT	U504	310	10.0			XXXXXXXX
VEHICLES	U505	312	16.0			XXXXXXXX
OTHER EQUIPMENT	U506	319	15.0			XXXXXXXX
TRANSPORTATION/FREIGHT	U507	22	15.0			XXXXXXXX
FURN/EQUIP/VEHICLE REPAIR/MAINT.	U508	259	10.0			XXXXXXXX
COMMUNICATIONS	U509	230	8.0			XXXXXXXX
SECURITY GUARD SERVICES	U510	254	19.0			XXXXXXXX
PRINTING	U511	24	0.5			XXXXXXXX
RIG/II OPERATIONAL TRAVEL	U512	210				
SITE VISITS-MISSION PERSONNEL	U513	210	8.0		40	0.2
SITE VISITS-AID/W PERSONNEL	U514	210	5.0		1	5.0
INFORMATION MEETINGS	U515	210	5.0		2	2.5
TRAINING ATTENDANCE	U516	210	5.0		2	2.5
CONFERENCE ATTENDANCE	U517	210	10.0		4	2.5
OTHER OPERATIONAL TRAVEL	U518	210	5.0		2	2.5
SUPPLIES AND MATERIALS	U519	26	45.0			XXXXXXXX
FAAS	U520	257	200.0			XXXXXXXX
CONSULTING SVCS. - CONTRACTS	U521	259				XXXXXXXX
MGT./PROF. SVCS. - CONTRACTS	U522	259				XXXXXXXX
SPEC. STUDIES/ANALYSES CONT.	U523	259				XXXXXXXX
ALL OTHER CODE 25	U524	259	10.0			XXXXXXXX
TOTAL O.E. BUDGET			1,148.7			XXXXXXXX
RECONCILIATION			448.8			XXXXXXXX
OPERATING BUDGET REQUIREMENTS			699.9			XXXXXXXX
636C REQUIREMENTS	U600	32				XXXXXXXX
TOTAL ALLOWANCE REQUIREMENTS	U000		699.9			XXXXXXXX

DOLLARS REQUIRED FOR LOCAL CURRENCY EXPENSES
EXCHANGE RATE USED (MARCH 31, 1985)

170,000
185.5 GP = DOLS 1

Guinea-Bissau

Table VIII - Operating Expense Narrative

Section A - Management Improvements

Comparison of FY 1986 to FY 1987

- A.I.D Bissau transferred an OE funded U.S. PSC under project funds to reflect the time spent backstopping projects as opposed to OE administration activities. This resulted in a savings of \$60,000 in FY 1986 OE for renewal of contract.
- A Third Country National (TCN) secretary hired locally in the Agricultural Development Division was transferred to project funds at a savings of \$12,000 in FY 1986 for an OE contract.
- A.I.D Bissau incorporated the additional management and services duties previously performed under the FAAS budget with the Embassy, without the hiring of any new personnel. AID will depend on local contractors hired on an ad hoc basis for the services once performed by EMB/GSO.
- A.I.D Bissau ended the security guard services contract in FY 1986 and entered into a PSC arrangement for residential and office facilities at a savings of 50%. This contract was running \$50,000 per year and the services received were poor.

Guinea-Bissau

Table VIII - Operating Expense Narrative

Section A - Management Improvements

Comparison of FY 1987 to FY 1988

- A.I.D Bissau will maintain its current level of FSN casual hired and locally hired non-Guinean PSCs, despite the additional workload resulting from the reduction in FAAS services. We will upgrade the skills of both categories of personnel to assume a greater role in administration/management and non-project activities.
- A.I.D Bissau's procurement of a WANG which was installed in FY 1986 will streamline the workload and provide greater efficiency in the utilization of limited clerical staff. Many of the more standard reports and project documents can not be upgraded without complete retyping as required before. It will free up the Executive Assistant to do more administrative/management duties and eliminate the need to hire additional PSC staff.
- A.I.D Bissau will seek special 636 funds to build an office/warehouse complex in order to reduce current rental costs which are running \$3,000 per month. We will seek authority from AID/W to build the complex on the Embassy grounds at Penha, which is located approximately five kms from town. This will also reduce the costs of utilities now being paid on three different installations and the need to maintain generator power and guard services at three sites. The savings in building versus the present rental will be \$36,000 the first year alone and will eliminate paying scarce OE funds for rising rental costs several years in advance. An estimated \$200,000 will be required for this construction. Another savings could be realized if the AID Representatives residence could be purchased. The cost of buying the residence is \$40,000 compared to upwards of \$20,000 for a two year period plus payments to the Government which are extra under the new law passed on rental property. Total amount needed for construction and purchase of AID Representative's residence is \$240,000.

Guinea-Bissau

Table VIII - Operating Expense Narrative

Section B - Justification for Funding Changes.

Comparison of FY 1986 to FY 1987.

1. The decision to reduce FAAS by 25% worldwide has resulted in A.I.D. Bissau undertaking its own travel, personnel, procurement and maintenance and repairs. The real brunt of this will be felt beginning FY 1987. Maintenance and repair services will be handled by entering into agreements with local contractors for services such as carpentry, electrical work and other minor renovations and construction. We estimate the minimum cost for such services will be \$50,000 in FY 1987. It should be stressed that no additional personnel will be hired and we will utilize short-term contractual arrangements to the extent possible.
2. Rental increases of 142% respectively requires the setting aside of large sums of OE funds. In FY 1987 the two year lease for the A.I.D. Representatives residence will become due and the landlord and A.I.D Bissau will be required to negotiate a lease extension in accordance with the new Law enacted in August 1985. Rental increases under this new Law have averaged 150% and upwards, with a sizable advance payment being required. Since the present lease is \$8,000/yr payable two years in advance, we expect this renewal to double and cost approximately \$16,000/yr or \$32,000 for the next two years, plus an increase in the portion payable to the GOGB in GB Pesos.
3. All of the basic services and commodities in Guinea-Bissau require foreign exchange. This includes the parastatal organization handling petroleum products needed for generators and vehicles, air line tickets, procurement of shelf items, and all available services in-country such as vehicle repairs, typewriter servicing and small local contracts. This large outlay of foreign exchange does not provide flexibility to take advantage of the devaluating local currency. In FY 1987 we estimate the fuel costs for generators and vehicles will increase by 30% based on the previous year's performance.
4. A new replacement vehicle (4 wheel drive) will be required in FY 1987. The present vehicles are over three years old and the wear and tear due to poor servicing, bad roads and non-availability of replacement parts have taken a heavy toll on the Mission's two vehicles. A.I.D. Bissau will need to replace one of the vehicles each FY in order to provide proper management of projects and REDSO/WCA transport for the Rice Production project at Contuboel and the South Coast

Agricultural Development projects. These two agricultural projects, located 200 and 500 kms, respectively from Bissau are only accessible by 4-wheel drive type vehicles during the dry seasons.

5. A.I.D. Bissau postponed procurement of needed residential furniture because of the tight FY 1985 and FY 1986 OE budgets. Most of the household furniture is over five years old and the wear and tear owing to change of staff has been severe. A.I.D Bissau plans to procure two new sets of furniture at a cost of \$12,000 each.
6. The transfer of A.I.D. Bissau's controller functions from Dakar to Abidjan in April 1986 has necessitated an increase in DHL courier services for the transmittal of financial documents. Further there will be a substantial increase in travel costs for REDSO/WAAC personnel providing assistance and our B&F staff making quarterly trips and training.
7. The incumbent Agricultural Development Officer will depart on HL/Transfer in November 1986. Funds will be needed early in FY 1987 to cover the moving expenses of the replacement candidate who has a family of three. Estimated cost for travel to post and movement of household effects is \$20,000.

Workforce Narrative

A.I.D Bissau has not proposed any USDH personnel increases for FY 1987/88. However, for reasons elaborated below, any further reduction would seriously jeopardize the Mission's ability to carry out stated project objectives and improve project implementation.

A.I.D. Bissau's USDH personnel level is established at four through FY 1988 and has resulted in a USDH personnel configuration of an A.I.D. Representative (encumbered); Program Officer (encumbered); Agricultural Development Officer (encumbered) and an Executive Assistant (encumbered). A.I.D. Bissau will continue the services of the PASA technician under the new Food Crop Protection III, 657-0012. This will ensure continued technical assistance to the National Crop Protection Service through FY 1988.

At present the A.I.D. Representative is responsible for overall Mission direction and management, policy dialogue with the government, coordination with other donors, economic reporting and meeting Embassy actions and reporting requirements. In addition, the A.I.D. Representative serves as Project Manager for the Technical Skills Training project, (657-0011). The Program Officer is responsible for program planning, budgeting, evaluations, participant training, P.L. 480 Title II, PD&S and non-agricultural activities (health, population etc). The Agricultural Development Officer, with the assistance of one U.S. PSC, has responsibility for the agricultural portfolio which includes four projects totalling \$15 million when the new Agro-Industrial Fund, (657-0013) is approved in FY 1987. The Executive Assistant is responsible for day-to-day office administration, supervision and training of TCN and FNH clerical staff, handling of classified and C&R functions, coordination of travel arrangements, and does all of the heavy typing of reports and official documents going to AID/W and REDSO/WCA. The Executive Assistant position is vital for a continuous smooth A.I.D. Bissau operation. It should be noted that in Guinea Bissau, unlike other countries, a cadre of trained support staff is not available.

In order to stay within USDH ceiling constraints, A.I.D Bissau continued employment of Foreign National Hires (FNHs) as casual hires, upgraded the skills of both FNHs and locally recruited foreigners to assume greater non-project responsibilities and relied heavily on Personal Service Contractors to perform administrative/management functions. The hiring of a Third Country National (TCN) under a Personal Services Contract arrangement for the Budget and Fiscal position continued with the former regional controller/Dakar responsibilities transferred to West African Accounting Center in Abidjan. The impact of the mandated reduction in FAAS budget was absorbed without staff increases through the realignment of

functional duties among the FNHs and PSCs, and the negotiating of small service contracts with local firms. A.I.D. Bissau depended heavily on REDSO/WCA in FY 1986 for technical and project support and utilized its resources for one new project design, phase-out of two projects, a P.L 480 Title II review and evaluation, and in preparation of host country contracts, plus routine backstopping.

During FY 1987/1988 period the continuation of the present workforce is essential to planned accelerated project implementation and to meet increased programming levels. Although two projects, Agricultural Development (657-0002) and Food Crop Protection II (657-0007) were phased out in FY 1986, the remaining agricultural projects have accelerated. Rice Production (657-0009) located in Contuboel some 200 kms from Bissau, is now entering its final phase and a doubling over present land cultivated is planned during this time period. The TA component has been extended to July 1987 (additional six months) to allow for an extra cropping season. The South Coast Agricultural Development project, (657-0010) construction at the project site should be completed and recruitment of the TA component finalized by mid 1987.

The Technical Skills Training project (657-0011) will increase once the studies identifying agribusinesses and private sector potential are completed in late FY 1986 and candidates begin applying for sub-loans under the credit component. All eight of the sub-activities will be active in FYs 1987 and 1988.

In FY 1987 the A.I.D. Bissau program will increase to \$18 million with the approval of the second-phase Trilateral activity, Agro-Industrial Fund, (657-0013) with LOP of \$4 million. This project will provide credit for small-scale agro-industrial loans to the private sector and will be managed by the Agr. Development Officer. In addition, the PID for the Food Diversification and Production project, (657-0014) will be finalized and submitted to AID/W for review and approval in FY 1988. It will incorporate components from Rice Production project (657-0009) and expand into new crops to achieve full year round food production. The project with proposed LOP of \$6 million will increase the program level to \$24 million.

Country: GUINEA-BISSAU

FY 1988 ANNUAL BUDGET SUBMISSION

TABLE VIII(a)
Information on U.S. PSC Costs

<u>Position Title/Description</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>
None	-	-	-

FY 1988 ANNUAL BUDGET SUBMISSIONTABLE VIII(b)
All Other Code 25 Detail

<u>Description</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>
1) Security Guard Service	36.6	--	--
2) Generator Service/Maint	30	35	35
3) Maintenance and Repair Houses/Office complex	-	35	35

Table VIII (c)

Obligations for Acquisition, Operation
and Use of Information Technology Systems

	<u>FY 86</u>	<u>FY 87</u>	<u>FY 88</u>
<u>Capital Investment</u>			
A. Purchase of Hardware	3,000	11,000	
B. Purchase of Software	500	1,000	2,000
C. Site and Facility	0	0	0
<u>Personnel</u>			
A. Compensation	0	0	
B. Workyears	0	0	0
<u>Equip. Rental, Space and Other Operating Requirements</u>			
A. Lease of Equipment	0	0	0
B. Space	0	0	0
C. Supplies/Other	500	1,000	2,000
D. Non-Commercial Trg.	1,000	3,000	5,000
<u>Commercial Services</u>			
A. Computer Time	0	0	0
B. Leased Tele	0	0	0
C. Operations/Maint.			
1. Operations	500	1,000	1,000
2. Maintenance	500	2,000	3,000
D. Sys. Des/Progr.	0	0	0
E. Studies and Others	0	0	0
<u>Totals</u>	6,000	19,000	13,000
<u>Special Breakout</u>			
A. Amounts included in Mission Allowances for exist. sys	800	2,000	3,000
B. Amounts included in Mission Allowance for expanded sys	0	11,000	0
<u>Total</u>	800	13,000	3,000

Information Technology Narrative

Section A: WP/DP Utilization:

Current:

Word Processing
Basic Proj. Mgt
Participant Tracking

Planned Additional Utilization:

Budgeting & Mission Acctg
Property/Personnel tracking
Mission Evaluation
Economic Analyses
Project Monitoring

Section B: Information Management Plans:

1. Processing needs: With present staffing constraints, principal use will be for word processing until in-house training on other uses has been completed. In FY 1987 the Mission will begin using systems for better tracking of projects.

With the acquisition of second PC X23, we will be better able to track accounting transactions for both projects and OE.

2. Responsibilities: The USDH Exec. Assistant has overall responsibility for operations and management of the automation equipment and system. REDSO/WCA will provide a training officer periodically to help upgrade the skills of the FNH and TCN staff.

3. Training: Mission is dependent on in-house training courses conducted by REDSO/WCA staff member at six month intervals. This will be augmented by on-site visits to neighboring USAIDs having similar systems. A.I.D. will try, to the extent possible, to schedule WANG classes for USDH TDYers when in AID/W to better utilize the system for project monitoring.

4. Development Assistance Strategy: A.I.D. Bissau will use the systems for project monitoring and implementing of better management procedures and keeping track of inventories including those funded by projects.

5. Systems Evaluation: Effectiveness of the automation system will be measurable in the time saved in redrafting of documents and the capacity to produce quality reports. It will maximize the Executive Assistant's time in carrying out her diverse duties in arenas of administration, management and supervision.

Section C: Acquisition Plans:

FY 86: Users: One USDH plus five FNH/TCN clerical staff and two professionals will be the primary users. For DP acquisitions, A.I.D. Bissau procured its first PC-XC3-2, Winch 10 MB, keyboard, monitor and both a daisy and a matrix printer. Immulec UPS was purchased to provide system protection. In addition the basic software programs purchased included MS DOS operating system, Integrated Word Processing, dBase III and Lotus 1-2-3. Although the equipment was purchased in FY 1985, it was not installed until mid FY 1986. Usage will be limited until the completion of training of staff. It is limited to Exec Asst and Program people in the above offices until such time as additional equipment can be procured and separate workstations established for the B&F and Agr Div.

FY 87: Users: USDHs plus ten FNH/TCN clerical staff and professionals. Acquisition: A.I.D. has requested another PC-XC3-2 in FY 1987 for use by the B&F Office. Also we plan to buy another UPS and daisy printer. This will establish two centers: one at the warehouse/office complex in B&F and the other at the main A.I.D. building. A.I.D. will also buy special software programs to promote better recordkeeping.

FY 88 Users: With additional training of FNH and TCN staff the number of users will double. Acquisition: A third PC is planned for FY 88 and will go to the Agr. Division to assist in better project monitoring .

FY 1988 ANNUAL BUDGET SUBMISSION
 TABLE VIII(d) - Information on U.S. Direct Hire Staffing

<u>Posno.</u>	<u>Position Title</u>	<u>Program Management Responsibility</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>
216570005	AID Rep.	Technical Skills Training (657-0011)	1	1	1
216570015	Exec. Asst.	N/A	1	1	1
216570020	Program Officer	P.L. 480	1	1	1
216570031	Agr. Dev. Officer	- Rice Prod. (657-0009) - South C. Agriculture Dev. (657-0009) - Agr. Ind. Fund (657-0013) - Food Div. Prod. (657-0014)	1	1	1

Country: GUINEA-BISSAU

FY 1988 ANNUAL BUDGET SUBMISSION
TABLE VIII(e) - Information on IDI Staffing

<u>BS</u> <u>Code</u>	<u>Title</u>	<u>FY</u> <u>1986</u>	<u>FY</u> <u>1987</u>	<u>FY</u> <u>1988</u>
	IDI	None	None	None

Country: GUINEA-BISSAU

FY 1988 ANNUAL BUDGET SUBMISSION
TABLE VIII(f) - Information on Foreign and Third Country National Staffing

<u>FSN/TCN</u>	<u>Descriptive Job Title</u>		<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>
) FSN/PSC	Receptionist	OE	1	1	1
) FSN/PSC	Secretary (Exec. Officer)		1	1	1
) FSN/PSC	Asst. Program Officer	OE	1	1	1
) FSN/PSC	Secretary/Program	OE	1	1	1
) FSN/PSC	Secretary/Agriculture	PR	1	1	1
) TCN/PSC	Budget & Fiscal Supervisor	OE	1	1	1
) FSN/PSC	Financial Management Asst.	OE	1	1	1
) FSN/PSC	Assistant B&F	OE	1	1	1
) FSN/PSC	Secretary/B&F	OE	1	1	1
) FSN/PSC	Admin. Assistant/Proc.	OE	1	1	1
) PSC	Admin. Assistant/Management	OE	1	1	1
) PSC	Admin. Assistant/General	OE	1	1	1
) FSN/PSC	Janitor/Warehouseman	OE	1	1	1
) FSN/PSC	Janitor	OE	1	1	1
) FSN/PSC	Driver	OE	1	1	1
) FSN/PSC	Driver	OE	1	1	1
) FSN/PSC	Driver	OE	1	1	1
) FSN/PSC	Asst. Agriculture Officer	PR	-	1	1
) FSN/PSC	Food Aid Monitor	PR	-	1	1
) FSN/PSC	Guard Supervisors		-	4	4
) FSN/PSC	Guards/Watchmen		-	50	50

Country: GUINEA-BISSAU

FY 1988 ANNUAL BUDGET SUBMISSION
TABLE VIII(g) - Information on Part-Time Staffing

<u>US/ FSN/TCN</u>	<u>Description of Job Title</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>
FSN/PSC	Auto-mechanic	1	1	1
FSN/PSC	Laundress	1	1	1

P.L. 480 Title II Narrative:

Agriculture continues to be the mainstay of Guinea-Bissau's economy. The country's soil and water endowment, as well as a large rural labor force and unlimited land provide it with the potential to increase agricultural production substantially. However, food shortages have persisted since independence in 1974, and basic cereal shortfalls have been averaging 25,000 to 35,000 MTs per year. The GOGB relies heavily on emergency food-aid donations to satisfy the basic food requirements of its people.

To date, the U.S. has provided emergency food-aid in six of the last 10 years, and most recently in FY 1985. Again in 1986, the government, citing late rains and pest problems, made an appeal to the international donors community for 19,000 MTs of cereals, mainly rice. The food shortages are primarily due to structural problems and relate to damage to farmlands and a general degradation of the transport infrastructure during the war preceding independence, as well as a faltering economy. The traditional private sector marketing arrangement for cereals found in other parts of Africa was replaced by a GOGB state-run system which has proven very ineffective. The system has been further hampered by poorly conceived agricultural pricing policies which provided little incentives for farmers to produce surplus grain. The government is aware of its past mistakes and is attempting to revitalize the private sector's role in marketing and trade. Recent reforms have been undertaken with the assistance of the World Bank and the International Monetary Fund to restructure the economy with increased emphasis on the rural and private sectors. Farmgate prices for major crops were increased twice in the last twelve months.

A.I.D. Bissau's primary development objective is to help the government achieve food self-sufficiency through technical assistance, commodity support, training and support of its institutional capability in the Ministry of Rural Development and Fisheries. Creation of a policy dialogue with the GOGB on development issues and policy reform is an equally important A.I.D objective. The planning for a P.L 480 Title II, section 206 program will be keyed to use of local currencies to complete the above objectives. We propose to provide 15,000 MTs of commodities over a three year period in increments of 5,000 MTs per annum. The commodities chosen are rice, wheat flour and sorghum. Rice would be limited to 3,000 MTs per annum. Wheat flour, primarily used by private bakeries, would promote private sector involvement in the economy. Sorghum, which is more nutritious and can be used as a weaning food, is the primary staple in the areas which traditionally suffer from structural deficits. A preliminary study of the country's potential for a P.L 480 Title II, section 206 program was conducted in FY 1984 by Purdue University with favorable results. Such a program would allow the GOGB to program donor food-aid imports over a longer period while policy reforms in the agricultural sector to stimulate production are being put in place.

Privatization Plan

Short-term Opportunities:

While Guinea-Bissau has undertaken some action to transfer its retail activities from the public to the private sector, the opportunities for A.I.D involvement in this area are limited given our budget constraints and other donor activities to reduce the role of the state in the economy.

A.I.D foresees the possibility of providing assistance to local private organizations to expand membership and increase services to its members, as well as develop the capacity to discuss the impact of certain policies with the Government. This would consist of short-term technical assistance and studies, using funds under the Africa Bureau's regional private sector activity (698-0438) for short-term assistance.

Long-Term Opportunities:

The GQGB is currently receiving assistance from the European Economic Community (EEC) who is providing a long-term technician to assist the Ministry of Commerce in its turn over of retail outlets to the private sector. This long term assistance will last through June 1987.

Longer term privatization will have to be done under the Trilateral Agreement which will have two active projects on-going through 1991. The current Trilateral project, Technical Skills Training, 657-0011 will be providing direct training assistance to the private sector including those who will be taking over the retail outlets from the government. The Technical Skills Training project and the Agro-Industrial Dev Fund, 657-0013, when approved in FY 1987, will provide resources totalling \$5.5 million mostly in the form of credit and technical assistance.