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# **Annual Budget Submission**

**FY 1985**

## **SOUTHERN AFRICA REGIONAL**

BEST AVAILABLE



**JUNE 1983**

Agency for International Development  
Washington, D.C. 20523

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## Southern Africa Regional Development Office Action Plan

The Southern Africa Regional Program exists in order to provide a means of responding to the political and economic dynamics affecting the stability of Africa's most troubled region. U.S. interests are furthered only by the peaceful resolution of on-going conflicts and the avoidance of instability and further conflict. Nine of the ten independent countries making up the region are experiencing economic difficulties of varying severity. The other country, South Africa - the most developed of all African states - is faced with the internal challenge of apartheid which threatens not only its own peace but that of its neighbors. Finally the region contains the last remaining 'colony' on the continent, Namibia, whose independence has become a focus of world attention and a key objective of U.S. foreign policy in Africa.

It was against this background that the strategy for a regional assistance program was developed. The strategy began with the premise that there was a need to be flexible in order to respond to the potential changes in the region and to be in a position to assist as the southern Africans plan their development under the Southern Africa Development Coordination Conference (SADCC), a body composed of the nine developing countries in the region which designs strategies and programs for cooperative development. A further consideration in the strategy was to utilize assistance modes which minimized the management and administrative burden of the program and were complementary to on-going bilateral assistance programs in the region.

The sectors emphasized in the program are transportation, agriculture, manpower, trade and technology transfer. These sectors were selected on the basis that they represented key constraint areas for the region's economies and were naturally multi-country assistance projects where coordination of efforts was necessary. Another tenet in the regional strategy was that, to the extent possible, the number of projects to be assisted each year would be kept small. In this regard it is the intention to move the program over the next two fiscal years into larger project units.

### Transportation

The rehabilitation and expansion of the region's transportation infrastructure is supported as a means of reducing the costs for the region's economies for the movement of goods being exported and imported. Such improved facilities will help overall economic performance by making the region's products more competitive and by reducing the cost of essential imports. Improved transportation infrastructure is the first priority of SADCC, and the strategy supports U.S. assistance in

this sector because of its far ranging impact on all of the region's economies, and in particular on the six landlocked countries. The regional program has identified the following goals and means for the next two fiscal years:

- Two transport projects will be designed, one in each fiscal year. In FY 1984 one of the SADCC identified projects will be designed which will convert the existing port of Matola in Mozambique to a coal handling facility. This small port, built in the early 1960's to handle iron ore shipments originating in Swaziland, is presently being used to load South African chromium sands and coal. Its equipment requires repair and replacement, and new, wider conveyor belts are needed to handle only coal, which will allow more rapid, and hence efficient, loading. In late FY 1984 design work will begin on a second transport project. A feasibility study will be carried out on the establishment of an alternative transportation route for Malawi which will provide it with a direct link to the Tazara Railway and Port of Dar es Salaam. Malawi is currently heavily dependent on routes through Mozambique which are susceptible to the effects of civil fighting in that country, and a long, expensive route through Zambia, Zimbabwe and South Africa. A link with the Port of Dar es Salaam is possible by moving goods up Lake Malawi and then transferring them by short rail or road link to the Tazara railway. This is also a SADCC identified activity.

- Improve regional analysis of transportation. Through SADCC's Transport and Communications Commission (SATCC) in Maputo, Mozambique has been carrying out planning for the region's transportation systems (using Nordic countries' assistance). The analysis of the SATCC has tended to focus on rehabilitation of existing infrastructure or building new links. There is a growing need to begin focussing on how to make more efficient use of these systems once they are improved. An UNCTAD study team has done a considerable amount of work in this area but has recently been disbanded. Since the regional program strategy requires a more extensive analysis of the transportation sector, a sector assessment will be carried out which will concentrate on the efficiency of the problem. The design and conduct of the study will be coordinated with the SATCC and be made available to them upon completion.

- Management steps: The design of projects and conduct of the sector assessment will utilize contractor services, supplemented as necessary with REDSO/ESA staff resources and those of personnel with regional responsibilities among the various southern Africa AID Missions.

## Agriculture

Agriculture remains the main area of economic endeavor in the southern African region and the source of livelihood for the vast majority of its population. Food deficits, as a result of stagnating or falling production and periodic drought conditions, have created an urgent need for corrective actions. Failure to realize the demonstrated capability to produce export crops also denies the region's economies of the full benefit of this sector. In keeping with both SADCC's and AID's own commitment to this sector, the regional strategy has given it high priority. In particular, emphasis is being given to agriculture research with recognition that food productivity cannot increase unless improved crop varieties more resistant to disease and dry weather conditions are developed. In support of the objective of improving the region's agriculture productivity, the program will carry out the following:

- Two new SADCC agriculture research projects will be designed and implemented in FY's 1984 and 1985, based on assessments and project identification. In addition, a second tranche of funding will be provided as a grant to the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) for a regional sorghum and millet research program. The two new activities include a grant to help establish a SADCC system for the coordination of agriculture research among its nine member states. This will be provided in FY 1984 after completion of a feasibility study on what such a system should encompass and how to establish it. The second new activity to be designed during FY 1984 and obligated early in FY 1985 will assist in the development of a comprehensive research program on legume crops. Built into both the sorghum and millet and the legume research programs will be a large component of training to bolster the limited professional manpower in the various national research systems. These programs are being planned with a 20-25 year horizon to avoid the unrealistic time frames often proposed to fit with donor financing limits.

- Coordination. In the area of agriculture, the regional program can play an important coordinating role between AID's various levels of assistance: bilateral, geographic bureau regional, S&T Bureau, and initiatives such as the U.S. participation in the donor group, Coordinated Development for Africa (CDA). In fulfilling this role, the RDO will carry out a study in FY 1983 and FY 1984 on agriculture research and training designed to both strengthen the program's own strategy and serve as a centerpiece in AID's effort to improve coordination by convening biannual meetings of the region's AID and contractor and other resource personnel working on agriculture.

- Maintain Dialogue. Through continual contacts with SADCC and the use of expertise obtained through AID cooperative agreements, the Regional Development Office will maintain continual dialogue with the various SADCC entities working on agriculture in such areas as food security, animal disease control, agriculture research, fisheries and forestry, and soil conservation. The views and cooperation of other donors involved in these various areas will be solicited through frequent contact by the RDO.

- Management steps. Design assistance for the planned activities will be provided from contractors and REDSO/ESA staff resources and those personnel with regional responsibilities among the various southern Africa AID Missions. Efforts will be made to chose project modes which rely upon direct grants to centers of excellence with built in evaluation mechanisms utilizing independent contractors.

### Trade

The regional strategy concluded that a major constraint on economic development was the limited trade among the nine developing countries of the region and the large, almost one way trade by most of these countries with South Africa. Manufacturers were being forced to operate at less than potential efficiency due to the confinement of small national economies. Countries also were paying higher than necessary costs for imports from distant markets when similar goods could be obtained nearby. The promotion of intra-regional trade thus became a goal for the regional program. To achieve this the following steps will be taken:

- Design of a program to establish facilities for providing credit for intra-regional trade. A joint study with the IFC will be completed by the end of FY 1983 which will examine the potential for increased trade among six countries in southern Africa. The intent is to propose an approach by which credit can be made available for trade in non-traditional exports (primarily manufactures). In cooperation with other donors, the project would make loan funding available in both FY 1984 and FY 1985 for capitalizing such a credit program which might be implemented through the existing private banking system.

- The regional program will assist in the establishment of a trade working group attached to the SADCC secretariat through an overall planning grant to be made to the secretariat late in FY 1983. The working group will examine the entire question of intra-regional and extra-regional trade with the aim of making available to SADCC the recommended courses of action for promoting greater trade by and among its members. The working group would present its findings at periodic seminars in which AID and other donors would be invited to participate.

- Management steps. As with other sectors, reliance will be placed on contractors, REDSO/ESA staff resources and regional services personnel assigned in various southern Africa AID Missions.

### Manpower

The examination of southern Africa's development performance and potential identified one pervasive constraint: the lack of sufficient numbers of qualified professional and technical manpower. In particular it has been concluded that even available trained manpower resources were often not fully used because of the lack of trained and experienced management personnel. The RDSS therefore proposed that the regional program concentrate on upgrading and expanding the capacity of the region's numerous management training institutions as an important step toward improving development performance by both the public and private sectors.

- Design a comprehensive program by which the major management training institutions can be assisted simultaneously. The Government of Swaziland, acting on behalf of SADCC, has requested AID to conduct an assessment study on management manpower needs and training capabilities in southern Africa. The study which will be completed early in FY 1984 will be used as the basis for the design of a project to provide technical expertise and training to upgrade the quality and responsiveness of existing management training institutions. The project will be designed such that one regional training institution will receive a grant with which it will contract with U.S. institutions and/or firms to provide the necessary services for meeting the needs of other regional training institutions, while concurrently benefitting itself.

- Strengthening SADCC's Manpower Sector Analysis/Project Preparation Capacity. Through a grant provided to Swaziland in FY 1983 to assist in carrying out its SADCC responsibilities in developing regional manpower development programs, the regional program has initiated an on-going dialogue in manpower planning. AID focus will remain on management/manpower training, while additionally using the mechanisms provided for within the grant for the provision of short-term technical assistance to examine a range of manpower problems and to hold periodic workshops/seminars. Through the regional program AID will be able to participate in the process by which SADCC assesses its needs and approaches in this key development area. For instance, we will take an active part in examining the question of how to best respond to overcoming the constraints on the agriculture sector resulting from manpower deficiencies. A study initiated in FY 1983 but finishing in mid-FY 1984 will look at the training problem as it relates to

agriculture research in the region. It is possible that this study will result in the identification of possible projects such as regional centers specializing in graduate training which the regional program can address in future years.

- Management Steps. The study on management manpower needs and training will be provided by a contractor probably through an existing AID cooperative agreement arrangement. Also, the study on agriculture research and training will be carried out by an on-board contractor. Design of project activities will similarly rely on contractor assistance supplemented by REDSO/ESA and regionally based services personnel.

- Improving Education Opportunities for Black South Africans. The quality of education available to black (African, Asian and so-called colored) South Africans is not only inferior to that available to white South Africans, but also inadequate to meet the development needs of the country's black community. To meet these needs, black South Africans require training opportunities beyond those likely to be provided by the South African Government.

- Management Steps. Commence implementation of four projects approved in late FY 1983, Training for Disadvantaged South Africans, the University Preparation Program, Labor Union Training, and Entrepreneurial Training for Disadvantaged South Africans. These AID/W managed projects involve direct assistance to individuals and to private organizations, and do not involve the signing of project agreements with the South African Government. Management of these activities will depend upon monitoring by U.S. Embassy and USIS field staff within South Africa and regular visits by the responsible AID/W officer. During FY 1984 decisions will be made confirming appropriate FY 1985 funding levels and determining the requirement for the full time presence of an AID field officer to monitor the RSA program.

### Technology Transfer

The regional strategy concluded that often much of the investment in development has been lost because the knowledge emerging from experience in projects, studies and from related technological work in the developed countries was available only haphazardly. A systematized method of making such knowledge available and accessible was required and was particularly appropriate for a regional program encompassing a larger audience. The availability of such knowledge, while difficult to document, should reduce unnecessary costs resulting from redundant projects or lack of the latest information on techniques and approaches. The regional program

has pursued a process of program development aimed at seeing such a technology transfer system implemented in southern Africa. The program proposes the following steps toward implementing technology transfer:

-Design a system to facilitate access to technology information by developers in the nine SADCC member states. AID has been assisting the Southern Africa Documentation and Information System (SADIS) Interim Working Group, which is composed of representatives from the SADCC countries, in its efforts to examine and identify a workable networking of the existing national information systems and make them more responsive to the needs of individuals and institutions in the region engaged in development. This system will be presented to SADCC and donors late in FY 1983. The system is to be composed of a series of projects involving the upgrading of national information systems and the establishment of regional center which would act as the conduit for requests for information from national systems to the various international data/information banks and to other national systems. The regional center would also provide the source for training for a variety of skills needed by personnel in national systems and would produce a journal on development information for dissemination in the region. The AID regional program will support the establishment of the regional center, including the journal. The project for this assistance will be designed early in FY 1984.

- Management Steps. Based upon the material produced by the SADIS Interim Working Group (part of which will have been with U.S. assistance already provided), the program plans to use REDSO/ESA and other services personnel stationed in the AID Missions in the region to assist in design of the project. Assistance during the implementation stage, which will be through services provided by a contractor. The program also intends to add to the existing staff by the use of PSC contractors with design, implementation and programming skills.

FY 1985 ANNUAL BUDGET SUBMISSION  
TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT (\$000)  
COUNTRY/OFFICE Southern Africa Regional

		FY 1983	FY 1984	FY 1985	PLANNING PERIOD			
		ESTIMATE	CP ESTIMATE	AAPL	1986	1987	1988	1989
Education	Total	3000	---	5000	5000	---	---	---
	Grants	3000	---	5000	5000	---	---	---
	Loans	---	---	---	---	---	---	---
ESF	Total	14181	40000	40000	40000	40000	40000	40000
	Grants	14181	40000	24500	19800	---	---	---
	Loans	---	---	15500	20200	---	---	---
DA & ESF	Total	17181	40000	45000	45000	40000	40000	40000
	Grants	17181	40000	29500	24800	---	---	---
	Loans	---	---	15500	20200	---	---	---

PL 480 Title I N/A  
 PL 480 Title II N/A

Housing Guarantees N/A

TOTAL PERSONNEL

USDH WORKYEARS 1  
 FNDH WORKYEARS -

Additional details included in Zimbabwe ABS.

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

<u>APPROPRIATION ACCOUNT</u>	<u>Country/Office Southern Africa Regional</u>		
	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>
<b>EDUCATION AND HUMAN RESOURCES</b>			
690-0213 Training for Disadvantaged South Africans	3,000	-	-
690-0230 South African Bursaries Prog.	-	5,000	5,000
TOTAL DA APPROPRIATION ACCOUNTS	3,000	5,000	5,000
<b>ECONOMIC SUPPORT FUND</b>			
690-0202 Private Voluntary Organization	-	1,000	1,000
690-0206 Planning Management & Research	1,415	2,000	2,000
690-0208 Management Manpower Training	-	6,000	5,000
690-0213 Training for Disadvantaged SA	1,000	4,000	4,000
690-0215 SADCC Technical Support	500	1,300	-
690-0216 Technology/Devel. Info. Transfer	750	2,250	-
690-0217 Intra-Regional Trade Development	-	9,500 (L)	10,000(L)
690-0220 Entrepreneurial Training for Disadvantaged South Africans	2,500	-	500
690-0222 University Preparation Program	2,000	-	1,000
690-0223 Labor Union Training	766	-	500
690-0224 Regional Sorghum/Millet Research	4,500	5,400	-
690-0225 Reg. Agricultural Research Coord.	-	1,500	-
690-0226 Bulawayo/Maputo/Beira HF Radio	-	250	-
690-0227 Matola Port Conversion	-	6,000 (L)	-
690-0228 Malawi/Tazara Railway Link	-	-	10,200 (L)
690-0229 Regional Legume Research	-	-	5,000
690-9801 Human Rights Fund	100	100	100
690-9901 Special Self-Help	650	700	700
TOTAL ESF	14,181	40,000	40,000

FY 1985 ANNUAL BUDGET SUBMISSION  
TABLE IV PROJECT BUDGET DATA

Country/Office: Southern Africa Regional

PROJECT NUMBER/TITLE	G/L	OBLIGATION DATE	LIFE OF PROJECT COST AUTH	CUM PIPELINE AS OF 9/30/82	FY 1983		FY 1984		1985 AAPL	FUNDED TO MO/YR	FY OBLIGATIONS			FUTURE YEAR
					OBL	EXP	OBL	EXP			1986	1987	1988	
<b>EDUCATION AND HUMAN RESOURCES DEVELOPMENT</b>														
690-0083	G	77	1,816	133	-	133	-	-	-	-	-	-	-	-
Southern Africa Academic & Skills Training														
690-0213	G	82	6,000	-	3,000	750	-	750	-	-	-	-	-	-
Training for Disadvantaged South Africans														
690-0230	G	84	-	-	-	-	5,000	2,500	5,000	12/89	5,000	-	-	-
South Africa Bursaries Program														
TOTAL FOR ACCOUNT			7,816	133	3,000	883	5,000	3,250	5,000		5,000	-	-	-
GRANTS			7,816	133	3,000	883	5,000	3,250	5,000		5,000	-	-	-
LOANS			-	-	-	-	-	-	-		-	-	-	-
<b>ECONOMIC SUPPORT FUND</b>														
690-0076	G	78	8,000	6,439	-	3,000	-	3,439	-	-	-	-	-	-
Southern Perimeter Road														
690-0202	G	84	-	-	-	-	1,000	1,000	1,000	9/87	-	-	-	-
Private Voluntary Organs.														
690-0206	G	80	-	736	1,415	1,000	2,000	1,500	2,000	9/86	-	-	-	-
Southern Africa Planning, Management & Research														
690-0207	G	82	675	675	-	-	-	275	-	-	-	-	-	-
Agriculture & Livestock Development														

FY 1985 ANNUAL BUDGET SUBMISSION  
TABLE IV PROJECT BUDGET DATA

Country/Office: Southern Africa Regional

PROJECT NUMBER/TITLE	G/L	OBLIGATION DATE		LIFE OF PROJECT COST AUTH	CUM PIPELINE AS OF 9/30/82	FY 1983		FY 1984		1985 AAAPL	FUNDED TO MO/YR	ESTIMATED U.S. DOLLAR COST (\$000)			
		INITIAL	FINAL			OBL	EXP	OBL	EXP			1986	1987	1988	FUTURE YEAR
690-0208 Management Manpower Dev.	G	84	86	-	-	-	-	6,000	1,000	5,000	6/87	1,000	-	-	-
690-0209 Transportation and Storage Development	L	81	82	17,300	17,300	-	10,000	-	7,300	-	-	-	-	-	-
690-0213 Training for Disadvantaged South Africans	G	82	88	24,000	47	1,000	1,000	4,000	2,000	4,000	6/89	5,000	5,000	3,953	-
690-0214 Private Enterprise Development	G	82	82	150	150	-	150	-	-	-	-	-	-	-	-
690-0215 SADCC Technical Support	G	83	84	-	-	500	-	1,300	750	-	-	-	-	-	-
690-0216 Technology/Development Information Transfer	G	83	84	-	-	750	-	2,250	1,200	-	-	-	-	-	-
690-0217 Intra-Regional Trade Development	L	84	86	-	-	-	-	9,500	9,500	10,000	9/86	10,500	-	-	-
690-0220 Entrepreneurial Training for Disadvantaged South Africans	G	83	85	-	-	2,500	-	-	950	500	9/86	-	-	-	-
690-0222 University Preparation Program	G	83	85	2,000	-	2,000	750	-	1,000	1,000	12/86	-	-	-	-
690-0223 Labor Union Training for South Africans	G	83	85	-	-	766	-	-	500	500	9/86	-	-	-	-

FY 1985 ANNUAL BUDGET SUBMISSION  
TABLE IV PROJECT BUDGET DATA

Country/Office: Southern Africa Regional

PROJECT NUMBER/TITLE	G/L	OBLIGATION DATE		LIFE OF PROJECT COST	CUM PIPELINE AS OF 9/30/82	FY 1983		FY 1984		1985 AAAPL	FUNDED TO MO/YR	FY OBLIGATIONS			FUTURE YEAR
		INITIAL	FINAL			OBL	EXP	OBL	EXP			1986	1987	1988	
690-0224 Regional Sorghum/Millet Research	G	83	86	-	-	4,500	3,000	5,400	2,500	-	-	2,100	-	-	-
690-0225 Regional Agricultural Research Coordination	G	84	84	-	-	-	-	1,500	300	-	-	-	-	-	-
690-0226 Bulawayo/Maputo/Beira High Frequency Radio Link	G	84	84	-	-	-	-	250	200	-	-	-	-	-	-
690-0227 Matola Port Conversion	L	84	84	-	-	-	-	6,000	500	-	-	-	-	-	-
690-0228 Malawi/Tazara Railway Link	L	85	87	-	-	-	-	-	-	10,200	12/86	9,800	10,000	-	-
690-0229 Regional Legume Research	G	85	85	-	-	-	-	-	-	5,000	9/90	-	-	-	-
690-9801 Human Rights Fund	G	79	C	-	73	100	125	100	100	100	9/86	100	100	100	-
690-9901 Special Self-Help	G	80	C	-	340	650	750	700	750	700	9/86	700	700	700	-
TOTAL FOR ACCOUNT				52,125	25,760	14,181	19,775	40,000	34,714	40,000	-	40,000	40,000	40,000	-
Grants				34,825	8,460	14,181	9,775	24,500	17,414	19,800	-	-	-	-	-
Loans				17,300	17,300	-	10,000	15,500	17,300	20,200	-	-	-	-	-



690-0225

Regional Agriculture Research Coordination

FY 1984 Funding: \$1,500

FY 1985 Funding: -0-

LOP Funding: \$1,500

ESF

Purpose: To assist in the networking of agriculture research being carried out in the southern Africa region.

Problems and Needs: The member states of SADCC in their early deliberations on regional cooperation concluded that considerable investment and knowledge was being wasted by the failure to share results and information on agriculture research. The SADCC Council of Ministers directed Botswana, which had been assigned responsibility for agriculture research within SADCC, to proceed with developing and implementing a system to promote the networking of national research programs as well as international programs as represented by the CGIAR centers and later Cooperation for Development of Africa (CDA). The objective was to better ensure that researchers were aware of results and on-going basic and applied research elsewhere which would be of assistance to their own efforts.

Botswana requested AID assistance in assessing need, receptivity, and extent of such a coordination effort as well as assistance in proposing the most appropriate mode of implementation. The resultant study, underway in late FY 1983, will serve as the basis for the establishment of a unit to be located in Botswana. It will have responsibility for a range of functions intended to facilitate coordination and exchange of technical data. The unit will be multi-donor financed and staffed with both southern Africans and scientists from developed countries. Among the activities to be included will be: the maintenance of computerized inventory of regional agriculture research projects, researchers and their specializations, and completed research papers; the publication of an agriculture research journal; the sponsorship of exchange visits by scientists working on similar problems; the convening of subject specific workshop/seminars; and the conduct of studies on agriculture research policies, priorities, resource allocations, and research/extension linkages.

AID assistance will be applied to the establishment of the computerized record keeping/dissemination system, the assignment of two scientists to the unit to assist in development of research policies and priorities, and the convening of workshops/seminars. The grant will also provide for the short-term services of scientists who will supplement the unit's full time staff on discrete problems being assessed.

This activity is fully consistent with the high priority given by AID to agriculture research, and more specifically to the development in Africa of "the institutional capacity for food and agricultural planning" and the dissemination of "improved technology and related information in a cost-effective manner." The project also represents an important point of contact between AID for not only its regional, bilateral, and S&T Bureau initiatives, but also for its leadership role within CDA for the southern African region.

690-0229

Regional Legume Research  
FY 1984 Funding: -0-  
FY 1985 Funding: \$5,000  
LOP Funding: \$5,000  
ESF

Purpose: To assist in the establishment of a program to carry out research on legume crops appropriate to southern Africa's drier farming areas.

Problems and Needs: Agriculture productivity in southern Africa has followed the same pattern as in the rest of the continent with productivity stagnating rather than increasing. Also, many parts of the region are periodically affected by drought conditions or have normally low rainfall. With rising populations in all of the countries, it is recognized that food production must be increased. It is also a fact that much of that increase must be achieved in the low rainfall areas as the good land is already fully utilized. The southern Africans have themselves given this problem higher priority attention through SADCC and in their national development programs. Similarly, AID and other donors have committed themselves to helping solve the problem.

One of the areas of constraint on changing the situation is the lack of new disease resistant and higher productive strains of the various crops grown by farmers in the drier areas. The AID funded regional sorghum and millet research program initiated in FY 1983 was one response to this problem. In addition to that program, SADCC had put forth a program for groundnut research. This was revised to encompass all legume crops after a survey conducted in the region by a team of experts representing Cooperation for Development in Africa (CDA) recommended such a change.

The regional legume research program will be based on the existing groundnut research project being funded by the Canadian International Development Research Center (IDRC) in Malawi and is intended to be a multi-donor funded activity involving the input of a number of donor and international agriculture research centers. For example, it is intended that the French who have operated a successful groundnut research program in Senegal will assist with that crop. The AID project would finance a grant similar to the one provided to the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) and the AID International Sorghum and Millet CRSP for the sorghum and millet program for another aspect of the legume research program. Until the full parameters of the program are spelled out by SADCC in its feasibility work, the AID component of the grant cannot be specified in any detail. Other crops to be included in the program will be cow and pigeon peas and

phaseolus beans an area in which AID has an ongoing CRSP with U.S. universities. As with the ICRISAT grant, it is envisaged that not only would the core research program be supported, but also outreach programs. Those included would be for national efforts and for the training of scientists to carry on long-term research at both a regional center and within the national systems. During the initial five year phase of what would be a ten year planning period for such a research program, it is anticipated that a total of ten masters level students and two PhD level students would be trained in the U.S. There would also be an in-service training component to the project which would include up to thirty trainees for short-term training courses in the region.

This project directly meets the AID objective to "develop human resources and institutional capabilities, especially to generate, adapt and apply improved science and technology for food and agricultural development, and conduct research on developing country food and agriculture problems."

690-0228

Malawi/Tazara Railway Link

FY 1984 Funding: -0-

FY 1985 Funding: \$10,200 (L)

LOP Funding: \$30,000

ESF

Purpose: To provide Malawi with an alternative, cost efficient transport route for shipment of its goods.

Problems and Needs: Malawi is a completely landlocked country and as such is entirely dependent upon its neighbors for transit of its imports and exports. The shortest and theoretically least costly route for Malawi's goods is through Mozambique to either the port of Nacala, which is used for almost all of Malawi's goods, or the port of Beira. The only other existing alternative is to a combination of road and rail shipment through Zambia, Zimbabwe and South Africa. The distance involved and the delays caused by border clearances as well as other matters involved in trans-shipment add a high cost which must be absorbed by Malawi's economy through either lower profits from its exports or higher costs for imports. The Mozambique route has become increasingly less reliable as a result of inefficiency at the ports and an upsurge of conflict in rural areas which have disrupted rail and road traffic. During 1983 Malawi suffered severe shortages of fuel as a result of such problems. While steps are being taken to improve the performance of Mozambique's ports and rail systems, it cannot be predicted how severely the on-going conflict in that country will continue to disrupt Malawi's economy. In any case, it is not considered prudent for a landlocked country to remain dependent on only one or two transport routes for its goods. In Malawi's case there is an alternative which appears feasible and which is comparatively short-term and low cost to other alternatives.

The Tazara Railway, which was built initially to relieve Zambia's isolation during the Rhodesian conflict by giving it access to the port of Dar es Salaam, passes within kilometers of the northern Lake Malawi port of Itungi. It thus becomes feasible by upgrading the road linking Itungi with Mbeya on the Tazara line, improving the port facilities and purchasing freight vessels to carry cargo between Itungi and a terminal point for Malawi railways further down the lake, to give Malawi an efficient option for shipment of its imports and exports. The opening of such an option relieves the overall economy from the excess costs it has had to absorb for imports and exports and, perhaps as importantly, from the psychological constraint imposed by the need to depend on unreliable transit routes. Moreover a plan for improving the port of Dar es Salaam has been agreed upon and \$54 million pledged by several donors at a recently convened World Bank meeting.

690-0216

Technology/Development Information Transfer

FY 1983 Funding: \$750

FY 1984 Funding: \$2,250

FY 1985 Funding: -0-

LOP Funding: \$3,000

ESF

Purpose: To facilitate access by planners, managers, technicians and scientists engaged in development in southern Africa to relevant information and data available or being produced in the nine member states of SADCC and in the developed countries.

Problems and Needs: A considerable amount of investment in development is wasted because planning and implementation decisions occur without full benefit of available knowledge. Information and data developed through studies, experiments, research and evaluations are often not available to planners and decision making groups when they are engaged in similar activities. This has been a recognized problem for some time. AID has given high priority to technology transfer, particularly in the "establishment of local institutions that have the capacity to tap and contribute to the world knowledge supply." Along the same lines, a number of international information/data banks exist (to assure that information gets to those who need and can use it). Yet the process of getting available knowledge to the end user remains haphazard at best. In southern Africa there has been underway for the past couple of years an effort to bring the nine member countries together in an information network. An interim working group for the Southern Africa Documentation and Information System (SADIS) has been preparing a program by which national information systems will be made compatible with access to each other's development information. The program also envisages accessing international information systems through a central coordinating unit and producing a periodic bulletin or journal containing recently produced or available materials obtainable by users of the system.

AID has been directly involved with this process through the provision of technical assistance. Since 1979 AID has supported the publication of a U.S. based bibliographic bulletin on the region and, in FY 1983, has initiated the transfer of the capacity to collect and publish bibliographic information to the region to provide the basis for the SADIS Journal. This project complements the project proposed for FY 1984 in which AID would assist in the establishment of the regional coordination unit for SADIS. This unit would respond to requests from national information systems for material in other national and international systems as well as publish the SADIS Journal. Training of personnel from national information systems as relates to their participation in the regional system would also be provided.

690-0227

Matola Port Conversion

FY 1984 Funding: \$6,000

LOP Funding: \$6,000 (L)

ESF

Purpose: To rehabilitate and convert the existing Matola port in Maputo, Mozambique to allow for efficient shipment of coal from the southern Africa region.

Problems and Means: The small port of Matola adjacent to Maputo, was built in the early 1960's for the export of iron ore from Swaziland to Japan. After the depletion of the iron deposits the port has been used for shipping chromium sands and coal originating in South Africa. Shipments through the port facility have been declining as a result of inefficient use. The port authorities have decided to rehabilitate the Matola facility for shipping coal, and transfer the handling of chromium sands to another location. This is a first stage of a longer range program which would expand the port's capacity as additional mining of coal in Swaziland, Botswana, and Zimbabwe come on stream, and the demand already extant in South Africa, currently the sole user, increases. In addition to being too far from Natal, the main South African minerals shipment point of Richard Bay is controlled by large mining interests unwilling to handle the shipments of the smaller mining operations in the Transvaal. By replacing the worn out equipment and enlarging the size of the conveyor systems, Matola will be able to handle larger quantities of coal at less cost. This would not only increase the foreign exchange earnings of Mozambique but benefit the mine operators.

This is a unique project in that it is being proposed by SADCC's transportation and communications commission but includes South Africa, a non-SADCC member, as a beneficiary. Such an activity would serve U.S. policy objectives in a number of ways. It would demonstrate the inter-dependence of all southern Africa states and the need for such cooperation. At the same time it would provide Mozambique a means of earning more foreign exchange for its economy which is experiencing severe pressure, largely from its inability to finance essential imports.

Because of Congressional restrictions on assistance involving Mozambique, it will be necessary if this project is to be supported that a Presidential waiver be granted. The Mozambiquans have indicated their readiness to accept U.S. contractor assistance in carrying out both the feasibility and conversion aspects of the project. In fact, much of the master plan for the entire port of Maputo, of which Matola is one component, was the subject of a U.S. firm's study conducted in the mid-1970's with funding provided by both the Portuguese and Mozambique Governments.

690-0217

Intra-regional Trade Development  
FY 1984 Funding: \$ 9,500 (L)  
FY 1985 Funding: \$10,500 (L)  
LOP Funding: \$30,000  
ESF

Purpose: To promote the expansion of business and commerce through increased trade among southern African countries.

Problems and Needs: A conclusion drawn by an analysis of southern African economic linkages as part of the preparation for the regional strategy was that economic growth was being held back by the lack of meaningful levels of trade among the nine developing countries. As a result of the historic pattern of development in the region, trade is heavily oriented on South Africa or outside developed economies. Consequently, many items are imported which might otherwise be available at lower cost within the region. Businesses in the developing economies additionally are constrained by the small market size of the national economy, a situation forcing them to produce items on a smaller than optimal scale which increases the cost of production and ultimately the cost to the consumer.

While it was recognized that there were numerous barriers to increasing trade such as protectionism under existing trade agreements and arrangements, import control policies, exchange control restrictions, real or imagined perceptions of quality differences between regionally and externally produced products, inadequate transport facilities, etc., a significant deterrent appeared to be the absence of credit facilities and foreign exchange policies which promote trade within the region. This becomes clear when South African trades with most of the countries in the region is examined. Its government and banks actively provide the stimulus for such trade by making available financial arrangements for its traders as well as providing other export subsidies.

In order to overcome this particular problem, AID in cooperation with the International Finance Corporation financed a study in FY 1983 to examine the extent of potential trade and need for credit or foreign exchange clearing procedures and to make recommendations on how to proceed with a program to remove these constraints. This project would provide, together with other donors, soft loans to be administered, where feasible, by the existing private banking institutions and in cooperation with the participating countries' finance ministries and/or central banks. It is expected that only five countries (Botswana, Malawi, Swaziland, Zambia and Zimbabwe) will be initially involved in this activity but that it will be designed such that in future years others can be included when they can demonstrate enough interest and potential to trade with the rest of the region. The project would also initially be limited to non-food trade goods except possibly where such goods have undergone some form of processing.

This project is seen as being directly responsive to the Administration's policy of utilizing the private sector and market place to achieve economic development, and conforms to AID's directive that the development of "competetive, well-functioning markets" should be encouraged by "creating or strengthening financial intermediaries." The project also has the ancillary result of strengthening the private sector in a region where a number of countries' policies are beginning to shift back to a position of greater reliance on private initiative.

690-0208

Management Manpower Training

FY 1984 Funding: \$ 6,000

FY 1985 Funding: \$ 5,000

LOP Funding: \$12,000

ESF

Purpose: To upgrade and expand the capacity of southern African management training institutions.

Problems and Needs: An unquestioned constraint on development, particularly true in Africa, is a lack of sufficient numbers of trained and experienced technical and professional manpower. Every aspect of a country's development program is burdened by the limited numbers of personnel needed to carry out the administrative, management and technical tasks required to achieve the identified objectives and goals. Despite large expenditures of funds by both governments and donors over the past two to three decades, the gap between need and availability of manpower resources in Africa remains large.

One aspect of this manpower gap is particularly critical: the short supply of personnel with management skills. Too often programs and projects assume that a sufficient 'management' hierarchical structure is contained within the various organizations or units through which development efforts are implemented. Often however, the people within this structure have had little or no training in being managers or administrators or in carrying out the associated tasks like accounting, budgeting, etc. Even among those who have had some training, there has been little time to accumulate experience. The net effect of this management constraint is that development investments are not being realized to their full potential.

Southern Africa has numerous national and regional training centers which offer management training. Their productivity varies both in terms of quantity and quality. Individually or all together they are not providing the numbers and variety of skilled manpower to meet demand. Nor are they necessarily providing the most appropriate types of training in terms of what is needed. The extent of this shortfall in numbers of trainees and content of training will be examined in FY 1983 through a study funded by AID for SADCC. The Management Manpower Training project will use the conclusions of that study to address simultaneously the needs of a number of management training institutions. This will be accomplished by providing a grant to one management training institution in the region to be identified in the course of the study. This institution would contract with one or more U.S. institutions or firms with management training expertise and, using these resources, provide to the other institutions in the region

assistance for development of staff resources, curriculum and course offerings, and limited inputs of training equipment. While maximum use will be made of existing institutional infrastructure, the project will also provide teachers and courses to students in their places of employment. Efforts will be made to assist in designing tailor-made training packages for particular organizations. The project will encompass management needs for both the public and the private sectors. Indigenous training expertise will be built by utilizing extant managerial consultants in the region as well as those provided through the U.S. contractors.

At this point it is not possible to project the total numbers of participants to be trained. This will only emerge from the results of the study. However, for budgetting purposes it has been projected that the staff of an estimated five to seven institutions would be involved.

The only long term participant training being proposed for this project would be to provide MBA fellowships for individuals working in the private sector. The total number of fellowships is projected at five per country over the life of the project for a total of forty-five. In addition, there would be a limited number of staff personnel from the management training institutions who would be sent for graduate level long term training. These are estimated at fifteen. Other staff personnel will receive shorter term training both in the U.S. and within the region. It is not known yet the extent of this training in terms of numbers involved. Also, the number of persons to be trained as a result of the improvements to the training institutions courses cannot now be fixed.

690-0230

South African Bursaries Program

FY 1984 Funding: \$5,000

FY 1985 Funding: \$5,000

LOP Funding: \$15,000

DA-EHR

The South African Bursaries Program will provide scholarships for undergraduate study at South African colleges and universities. Complementing the on-going program of scholarships for study in the United States, this project will substantially increase opportunities for black South African students in higher education because of the lower cost of attendance at South African institutions. Funds will be granted directly to the student for payment of tuition and associated fees, instead of to the institution. The program will allow students entering college or university for the first time to have their initial higher education experience in the home country, thereby alleviating them of the problem of adjusting to a new country and social/political environment, while at the same time taking on the new challenge of college study. Black South African educators have identified this as a particularly important consideration for younger and less fully matured students.

FY 1985 ANNUAL BUDGET SUBMISSION

TABLE V - FY 1985 PROPOSED PROGRAM RANKING

PROGRAM ACTIVITY		Country/Office: Southern Africa Regional				
		PROGRAM FUNDING				
RANK	DESCRIPTION	ONGOING NEW	LOAN GRANT	APPR ACCT	(\$000)	
					INCR	CUM
1	690-0206 Planning, Management & Research	0	G	ESF	1,000	1,000
2	690-0228 Malawi/Tazara Railway Link	N	L	ESF	10,200	11,200
3	690--230 South African Bursaries Program	0	G	DA	5,000	16,200
4	690-0217 Intra-Regional Trade Facility	0	L	ESF	10,000	26,200
5	690-0208 Management Manpower Training	0	G	ESF	5,000	31,200
6	690-0213 Training for Disadvantaged South Africans	0	G	ESF	4,000	35,200
7	690-0229 Regional Legume Research	N	G	ESF	5,000	40,200
8	690-0206 Planning, Management & Research	0	G	ESF	1,000	41,200
9	690-0223 Labor Union Training	0	G	ESF	500	41,700
10	690-0220 Entrepreneurial Training for Disadvantaged South Africans	0	G	ESF	500	42,200
11	690-0222 University Preparation Program	0	G	ESF	1,000	43,200
12	690-0202 Private Voluntary Organizations	0	G	ESF	1,000	44,200
13	690-9801 Human Rights Fund	0	G	ESF	100	44,300
14	690-9901 Special Self-Help	0	G	ESF	700	45,000

TABLE V - NARRATIVE

Southern Africa Regional

To enable the Southern Africa Regional Program (SARP) to plan, design and carry out feasibility studies that are fundamental to any initiative or program being developed within the region, first priority must be given to a portion (\$1,000,000) of the Planning, Management and Research Project (PM&R) (690-0206) funding. These first priority funds will be supplemented as necessary, but at a lower priority, during the year but up to a level of the total (\$2,000,000) budgeted for the PM&R projects.

Second priority in project ranking has been assigned to the new activity for the establishment of a new transport route for Malawi to provide it with direct access to the port of Dar es Salaam (690-0228). This ranking reflects the critical nature of Malawi's dilemma as a landlocked country which currently must rely on two routes for shipment of its imports and exports, both of which present severe constraints on Malawi's economy. The principal route is through Mozambique. However this route has been interdicted by civil strife in Mozambique which shows no immediate signs of ending. Also, the two ports upon which Malawi must rely are experiencing serious problems of efficiency which will not be resolved in the near term. The other route for Malawi is the long and logistically complicated one through Zambia, Zimbabwe and South Africa. Administrative procedures in moving goods through three countries and the length of this route make it a costly alternative. The Lake Malawi/Mbeya railhead route to provide Malawi with access to the port of Dar es Salaam offers a ready alternative with comparatively minor investment.

Third priority has been given to the FY 1984 South African Bursaries Program (690-0230) which will provide in-country financing (scholarships) for disadvantaged students to attend South African Universities. Program will begin to utilize funds earmarked by the Congress for that purpose. It will supplement the external scholarship program that provides funds for disadvantaged students at U.S. colleges and universities which will phase down in FY 1985. It is envisioned that the number of undergraduate participants in the external University Preparation Program will decrease immediately with the introduction of bursaries for study in South Africa.

Fourth priority has been given to the on-going Intra-Regional Trade project (690-0217). This activity which will have begun during FY 1984 with a loan of \$10 million to be used to provide short-term financing for trade in goods between five southern African countries would be seriously affected in its momentum if the planned second tranche of \$10 million were not made available in FY 1985. This input will have been part of the planned contributions by the U.S. and other donors and will be built into a capitalization fund for this program.

Fifth priority in the ranking is for the Management Manpower Training project (690-0208). This is an on-going activity which will require the input of the additional \$5 million to achieve the project objectives.

Sixth priority in our ranking is for the Training for Disadvantaged South Africans (690-0213) for which funding has been earmarked by Congress. The project provides scholarships for study in the U.S. and therefore has considerable significance for U.S. policy in the region. It supports the concept of peaceful change in South Africa and aims to promote such change by providing opportunities to disadvantaged South Africans to obtain education equal in quality to that available to white South Africans. By providing support for educational opportunities abroad and within South Africa, the project seeks to prepare black South Africans to fill the country's increasing demand for skilled technicians and managers. The goal of this project is to enhance the prospects for peaceful change in South Africa and thereby to promote the stability of the southern African region.

Seventh priority would be for the new project for a grant to support the establishment of a Regional Legume Research Program (690-0229). Since agriculture research continues to retain a high priority within the regional strategy such an activity will be supported if funding is available.

Ninth priority is to provide support for Labor Union Training (690-0223). Trade unionist training is one of the high priority short term development needs of disadvantaged South Africans. The project targets members of the independent black trade unions in South Africa.

Tenth priority is Entrepreneurial Training for Disadvantaged South Africans (690-0220). This project is designed to provide training in fundamental, intermediate and to a limited extent, advanced business operation skills to black owners and operators of small business enterprises in South Africa. It is supplemental to existing training programs of the National African Federated Chamber of Commerce (NAFCOC). The project targets as beneficiaries those black owners and operators of small businesses that provide to residents of black townships and rural settlements, retail, repair, manufacturing and other services, that would not be otherwise available or affordable.

Eleventh priority the University Preparation Project (690-0222) was designed to assist black South Africans in passing high-school matriculation examinations. It targets both students and teachers who have historically had great difficulty in passing these examinations. It will be implemented through South African community organizations involved in conducting matriculation preparation programs. Having financed the materials development and testing and evaluation phases of this activity, we are presently considering a proposal and funding request to assist nationwide implementation of the project before the end of FY 1983.

The remaining projects, in order of ranking are Planning, Management and Research (690-0206), Private and Voluntary Organizations (690-0202), Human Rights Fund (690-9801), and Special Self-Help (690-9901). The first of these will be used in ESF countries and the regional program as PD&S accounts are used in DA programs. The rankings for PVO's, Human Rights and Special Self-Help are not intended to detract from their importance, but it is believed they must come at the end of the ranking because they are not as critical to achievement of the regional strategy objectives.

TABLE VII - LIST OF PLANNED EVALUATIONS  
 FY 1985 ANNUAL BUDGET SUBMISSION  
 Country/Office Southern Africa Regional

Project List (Project No. & Title)	FY 1984		FY 1985		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral AID Assistance
	Last Eval Completed (Mo./Yr.)	Start To Start To (Qtr) AID/W (Qtr)	Start To Start To (Qtr) AID/W (Qtr)	To To (Qtr)				
690-0209 (613-K-001) Makuti/Chirundu Road	-	3	4		Construction on the road will have been completed and the PP calls for a terminal evaluation by the Regional Engineer and the Ministry of Roads.	OE (2)	14	The Regional Engineer in USAID/Zambia will be required or, in his absence, an engineer from REDSO/EA
690-0207 Regional Food Security	-	1	2		Planned evaluation in PP at end of project to assess performance and determine whether follow-on activity required. Note: Given slow dispersal of grant, no follow-on activity is being planned at this time.	OE (1)	7	REDSO/EA project officer will be required.
690-0224 Regional Sorghum/Millet	-	2	2		Grant to ICRISAT/INTSORMIL includes 18 months evaluation by independent evaluators.	PROJ. 10 OE (2)	28 14	REDSO/ESA agricultural officer or project officer may be used as a part of evaluation team.
690-0208 Management Manpower Training	-	4	4		Grant to include evaluation by independent evaluators after 18 months. Reason is to identify any necessity for amendment to project design.	Proj. 10 OE (2)	28 14	REDSO/ESA human resources officer or project officer will be required in addition to contractor personnel.
690-0216 Technology Transfer	-	4	4		Ascertain progress in implementation.	OE (2)	14	REDSO/ESA project officer.
690-0226 Maputo/Bulawayo HF Radio Link	-	1	2		Installation will have been completed and equipment in use. Need to assure that use complies with project purpose that equipment is for use of National Railways of Zimbabwe.	OE (1)	7	REDSO/ESA project officer.

TABLE VII - LIST OF PLANNED EVALUATIONS  
 FY 1985 ANNUAL BUDGET SUBMISSION  
 Country/Office Southern Africa Regional

Project List (Project No. & Title)	Last Eval Completed (Mo./Yr.)	FY 1984		FY 1985		Reasons/Issues	Funding		Collateral AID Assistance	
		Start (Qtr)	To (Qtr)	Start (Qtr)	To (Qtr)		Source (\$000)	Person Days		
690-0222 University Preparation Program	-	3	3	3	3	Students will have been studying since September 1983. Evaluation will be mid-point in studies program. Phase II of project will be considered.	PAR	30	15	AID/W desk officer in coordination and collaboration with independent contractor.
690-0223 Labor Union Training for South Africans	-	3	3	3	3	Start up in FY 1983 therefore evaluation necessary at mid-point.	PAR	30	15	AID/W desk officer in coordination and collaboration with independent evaluator.
690-0220 Entrepreneurial Training for Disadvantaged South Africans	-	3	3	3	3	Start up in FY 1983. Mid-point evaluation will be done to check on progress in implementation.	PAR	30	15	AID/W desk officer in coordination and collaboration with independent evaluator.
690-0213 Training for Disadvantaged South Africans	-	2	2	2	2	Project calls for independent evaluation in FY 1985. Project operational since FY 1982.	PAR	15	10	AID/W desk officer in coordination and collaboration with independent evaluator.

Evaluation Plan Narrative  
FY 1985 ABS

Because the regional program is relatively new, the evaluation plan for FY 1984 and FY 1985 will focus on specific project goals and objectives rather than the overall regional strategy. A premature attempt to determine the development impact of the southern African program would not fully assess the critical issues, and would be more useful when regional projects are further underway.

The proposed evaluations are project-specific. Each is intended to either examine the status of implementation at a specific point during the project's life or determine that a project's objectives were accomplished upon completion. The impact and achievement of Agency priorities will be evaluated at a later point in the development of the regional program (beyond FY 1985) by looking at such projects as the regional sorghum and millet research (690-0224), Management Manpower training (690-0208), technology transfer (690-0216), and the intra-regional trade development (690-0217).

Broader concerns relative to the program's priorities and directions will, however, be examined in a series of studies and assessments being carried out as part of the program planning process during FY 1984. This research will lay the foundation on which future projects, programs and activities will focus.

The following evaluations cover training projects in South Africa. They are monitored by AID/W, Office of Southern African Affairs.

The University Preparation Program (690-0222), The Labor Union Training Program (690-0223), and the Entrepreneurial Training for Disadvantaged South Africans (690-0220), are all new starts for FY 1983. Mid-point evaluations will be carried out on all three projects in FY 1985 by independent contractors.

The Training for Disadvantaged South Africans Project (690-0213) which began in FY 1982, will have an independent evaluator ascertain program implementation progress in the second quarter of FY 1985.

ANNUAL BUDGET SUBMISSION  
FY 1985

SOUTHERN AFRICA REGIONAL

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