

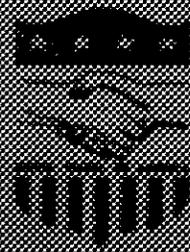
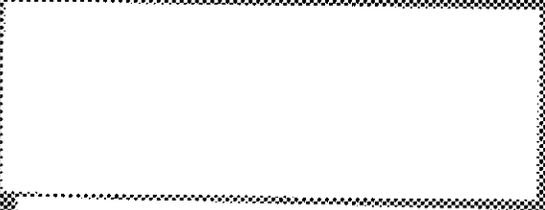
PD-AAV-678

UNCLASSIFIED

Annual Budget Submission

FY 1989

GUATEMALA



JUNE 1987



Agency for International Development
Washington, D.C. 20523

UNCLASSIFIED

**THIS BUDGET SUBMISSION HAS BEEN
PREPARED BY THE A.I.D. FIELD MISSION.**

**IT IS PREPARED ANNUALLY AND USED
FOR PLANNING PURPOSES IN THE FIELD
AND IN WASHINGTON.**

**IT DOES NOT REPRESENT
OFFICIAL AGENCY POLICY.**

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FF 1989 ANNUAL BUDGET SUBMISSION
TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT
(00000)

S20 - GUATEMALA

	FF 1986	FF 1987	FF 1988		FF 1989	PLANNING PERIOD			
	ACTUAL	ESTIMATE	CP	ESTIMATE	BNPL	1990	1991	1992	1993
AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION									
Total	14,363	10,139	12,630	14,100	14,020	14,000	14,000	14,300	15,000
Grants	14,700	10,139	7,130	7,100	4,230	9,000	9,000	9,000	9,000
Loans	4,367	0	5,500	7,000	10,790	5,000	5,000	5,300	6,000
POPULATION PLANNING									
Total	2,067	3,730	4,000	4,000	3,000	3,000	3,000	3,000	3,000
Grants	2,067	3,730	4,000	4,000	3,000	3,000	3,000	3,000	3,000
Loans	0	0	0	0	0	0	0	0	0
Cont. Proj. Commit.									
HEALTH									
Total	3,000	200	2,000	300	300	300	300	300	300
Grants	3,000	200	2,000	300	300	300	300	300	300
Loans	0	0	0	0	0	0	0	0	0
CHILD SURVIVAL FUND									
Total	1,600	4,130	2,000	2,000	1,700	2,000	2,000	2,000	2,000
Grants	1,600	4,130	2,000	2,000	1,700	2,000	2,000	2,000	2,000
Loans	0	0	0	0	0	0	0	0	0
EDUCATION AND HUMAN RESOURCES									
Total	6,704	7,856	6,000	6,000	6,000	7,000	7,000	7,000	7,000
Grants	5,200	7,856	6,000	6,000	6,000	7,000	7,000	7,000	7,000
Loans	1,504	0	0	0	0	0	0	0	0
SELECTED DEVELOPMENT ACTIVITIES									
Total	1,447	7,000	4,230	4,300	8,130	8,075	8,362	8,483	8,400
Grants	1,447	7,000	4,230	5,300	8,130	7,875	7,362	7,483	7,400
Loans	0	0	2,000	1,000	0	1,000	1,000	1,000	1,000
INDIVIDUAL FUNCTIONAL ACCOUNTS									
Total	36,001	33,221	33,300	33,300	34,000	34,575	35,062	35,483	35,900
Grants	31,000	33,221	25,000	25,300	23,000	28,575	29,062	28,983	28,900
Loans	5,071	0	7,300	8,000	10,700	6,000	6,000	6,500	7,000
INTERNATIONAL DISASTER ASSISTANCE									
Total	15	0	0	0	0	0	0	0	0
Grants	15	0	0	0	0	0	0	0	0
Loans	0	0	0	0	0	0	0	0	0
TOTAL DA ACCOUNT									
Total	36,016	33,221	33,300	33,300	34,000	34,575	35,062	35,483	35,900
Grants	31,025	33,221	25,000	25,300	23,000	28,575	29,062	28,983	28,900
Loans	5,071	0	7,300	8,000	10,700	6,000	6,000	6,500	7,000
ECONOMIC SUPPORT FUND									
Total	47,820	98,362	98,000	98,000	98,000	99,432	98,740	99,830	92,900
Grants	23,925	98,362	98,000	98,000	98,000	99,432	98,740	99,830	92,900
Loans	23,925	0	0	0	0	0	0	0	0
DA AND ESF TOTAL									
TOTAL	84,706	131,783	113,300	113,300	127,000	124,027	123,811	127,321	128,800
GRANTS	54,930	131,783	105,000	105,300	111,000	118,027	117,811	120,823	121,800
LOANS	29,776	0	7,300	8,000	10,700	6,000	6,000	6,500	7,000
P.L. 408 (Rev-80)									
Title I	(16,000)	(18,000)	(18,000)	(18,000)	(20,000)	(21,000)	(22,000)	(23,000)	(24,000)
Title III	0	0	0	0	0	0	0	0	0
Title II	(1,467)	(1,301)	(1,301)	(1,407)	(1,643)	(1,643)	(1,643)	(1,643)	(1,643)
HOUSING COMMITTEES	0	10,000	0	0	0	0	0	0	0

FY 1989 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

520 - GUATEMALA

Project No.	Project Title	G/L	PMCD	Oblig. Date Init. Final	Total Cost		Oblig. FY 1986	Pipe- line	Estimated U.S. Dollar Cost (\$000)		FY 1988 Oblig.	FY 1988 Expend.	FY 1989 AMPL	FY 1989		Sub- Cat.	Special Codes	Item No.
					Author.	Planned			FY 1987 Oblig.	FY 1987 Expend.				1 PVO	2 PVO			
AGRICULTURE, RURAL DEV. AND NUTRITION																		
520-0000.1	Program Development & Support	6	Cont.	69	Cont.	N/A	N/A	251	520	525	0	463	350	0	0	FMPA		5043
520-0238	Small Farmer Marketing Systems	L	12-86	78	81	3,400	2,684	780	0	84	0	0	0	0	0	FMRIS		5685
520-0243	Rural Enterprises Development	6	12-86	79	83	850	850	14	0	250	0	0	300	0	0	FMRP		5687
520-0245	Rural Enterprises Development	L	12-86	79	83	6,000	5,350	1,549	0	600	0	0	0	0	0	FMRP		5688
520-0248	Rural Electrification	L	12-87	79	83	10,600	10,196	3,504	0	2,670	0	0	814	0	0	FNER		5689
520-0255	Small Farmer Diversif. Systems	6	12-90	81	89	3,696	3,696	1,962	0	1,075	6,500	3,700	1,000	0	0	FNEI		5692
520-0255	Small Farmer Diversif. Systems	L	12-90	81	85	5,500	5,500	3,355	0	793	0	0	835	0	0	FNEI		5693
520-0274	Highlands Agricultural Devel.	6	09-90	83	86	2,100	2,100	1,830	0	340	0	0	400	0	0	FMC	FR, WA	5695
520-0274	Highlands Agricultural Devel.	L	09-90	83	86	13,500	13,500	12,380	0	3,410	0	0	3,500	0	0	FMC	RM, FR, WA	5696
520-0286	Cooperative Strengthening	6	07-91	86	86	11,000	11,000	11,000	0	732	0	0	1,300	0	0	FMA		6464
520-0290	Family Fish Pond Devel. (OP6)	6	12-86	81	81	343	343	64	0	64	0	0	0	0	0	FMPD	PC	5699
520-0317	Itzan Cardaon Cult. & Coa. (OP6)	6	06-87	84	84	290	290	126	0	126	0	0	0	0	0	FNEI		5891
520-0330	Pilot Coas. Land Markets (OP6)	6	08-87	84	84	1,000	1,000	250	0	250	0	0	0	0	0	FNL		6472
520-0332	Fare-to-Market Roads	6	12-89	85	89	1,100	2,000	1,089	0	186	900	500	350	400	0	FMR		6271
520-0332	Fare-to-Market Roads	L	12-89	85	91	10,366	28,000	9,543	0	2,736	17,634	3,500	2,000	5,700	0	FMR		6272
520-0341	Private Enterprise Development	6	08-88	85	88	2,000	10,000	1,951	1,287	535	0	0	500	0	0	FME		7407
520-0343	Coas. Land Markets II (OP6)	6	09-89	86	86	500	500	500	0	174	0	513	1,750	0	100	FNL		6642
520-0351	Family Fish Pond Dev. II (OP6)	6	09-89	88	89	0	2,000	0	0	0	0	0	164	0	0	FMPD	PC	7129
520-0353	Rural Electrification III	L	08-89	86	90	0	8,000	0	0	0	0	1,500	300	500	0	FNER		7130
520-0355	Guatemala Dairy Development	6	09-89	86	86	1,200	1,200	1,200	0	420	0	3,500	0	4,500	0	FNER		6465
520-0362	Central America Peace School.	6	03-91	87	87	424	424	0	424	0	0	0	274	0	0	FALK		6661
520-0363	Ag Prod. & Mktg. Serv. (OP6)	6	07-88	87	88	0	600	0	200	30	400	400	220	0	0	ENZI	WID	7406
	TOTAL - ARDM					73,869	117,687	80,124	51,348	10,159	15,772	14,100	14,447	14,450				
	GRANTS					24,503	44,053	32,124	20,237	10,159	5,459	7,160	7,298	4,250				
	LOANS					49,366	73,634	48,000	31,111	0	10,313	7,000	7,149	10,200				
POPULATION PLANNING																		
520-0000.5	Program Development & Support	6	Cont.	69	Cont.	N/A	N/A	454	142	175	0	200	125	0	0	PMP		5003
520-0238	Exp. of Family Planning Serv.	6	12-88	82	87	8,666	12,116	4,737	3,430	2,587	0	0	4,000	0	0	PMP	WID	5044
520-0357	Improved Family Health	6	03-91	87	87	0	10,000	0	0	0	0	4,200	300	3,200	40	PMP	WID	7408
520-0362	Central America Peace School.	6	03-91	87	87	208	208	0	208	0	0	0	125	0	0	ENZI	WID	7409
	TOTAL - FM					8,894	22,324	9,140	4,879	3,758	0	4,400	4,750	3,400				
	GRANTS					8,894	22,324	9,140	4,879	3,758	0	4,400	4,750	3,400				
	LOANS					0	0	0	0	0	0	0	0	0				

520 - GUATEMALA

Estimated U.S. Dollar Cost (0000)

Project No.	Project Title	B/L	PACD	Oblig. Bole Init. Final	Total Cost Author. Planned	Oblig. Thru FY 1986	FY 1986 Pipe- line	FY 1987 Oblig.	FY 1987 Expend.	FY 1987 End of FY 1987	FY 1988 Oblig.	FY 1988 Expend.	FY 1989 AMPL	FY 1989 FY 1989	Sub- Cat.	Special Codes	Line No.
HEALTH																	
520-0000.2	Program Development & Support	0	Cont.	49	N/A	870	184	50	173	0	300	125	300	0	HEPP		5099
520-0251	Comm.-Based Health & Nut. Sys.	0	12-88	85	1,274	1,274	437	0	80	0	0	320	0	0	HEWS	MA	5090
520-0251	Comm.-Based Health & Nut. Sys.	L	12-88	85	9,500	9,500	5,776	2,098	0	0	0	1,678	0	0	HEWS	MA	5091
520-0298	Rural Pot. Water & Sanit. (OPB)	0	12-84	84	500	500	48	0	48	0	0	0	0	0	HEWS	MA	5700
520-0335	Rural Water & Sanit. II (OPB)	0	12-87	85	1,000	1,000	788	0	244	0	0	486	0	0	HEWS	MA	4663
520-0334	Rural Water (OPB)	0	04-88	85	500	500	500	0	204	0	0	243	0	0	HEWS	MA	4664
520-0339	Immunization/Child Survival	0	08-89	85	8,100	8,100	7,458	248	1,148	0	0	1,738	0	0	HECS	IN, ORT	6537
520-0337	Improved Family Health	0	88	91	0	0	0	0	0	0	0	0	0	0	HECS	IN, ORT, MID	7411
TOTAL - HE																	
					20,900	21,744	15,591	298	4,041	0	300	4,599	300	0			
	GRANTS				11,400	16,422	12,244	298	1,943	0	300	2,912	300	0			
	LOANS				9,500	9,500	5,776	0	2,098	0	0	1,678	0	0			
CHILD SURVIVAL FUND																	
520-0000.4	Program Development & Support	0	Cont.	49	N/A	0	0	180	100	0	100	175	100	0	CEZL		7412
520-0319	Imen. and ORT for Child Surv.	0	08-89	85	1,600	1,600	1,400	3,970	650	0	0	977	0	0	CEZL	IN, ORT, MID	7134
520-0357	Improved Family Health	0	88	91	0	0	0	0	0	0	1,700	200	1,600	0	CEZL	IN, ORT, MID	7046
TOTAL - CS																	
					1,600	1,600	1,400	4,150	750	0	2,000	1,352	1,700	0			
	GRANTS				1,600	1,600	1,400	4,150	750	0	2,000	1,352	1,700	0			
	LOANS				0	0	0	0	0	0	0	0	0	0			
EDUCATION AND HUMAN RESOURCES																	
520-0000.3	Program Development & Support	0	Cont.	49	N/A	1,183	119	650	600	0	500	550	500	0	ENPP		5002
520-0281	Integrated Non-Formal Education	0	08-87	82	850	850	325	0	325	0	0	0	0	0	ENMC	WID	5497
520-0281	Integrated Non-Formal Education	L	08-87	82	3,500	2,000	923	0	600	0	0	0	0	0	ENMC	WID	5498
520-0282	Rural Education Improvement	0	11-90	85	3,000	3,000	2,640	0	500	0	0	400	0	0	ENEB	WID	5045
520-0282	Rural Education Improvement	L	11-90	85	10,204	10,204	9,834	0	1,276	0	0	1,800	0	0	ENEB	WID	5046
520-0304	Attending Higher Education	0	04-91	84	5,000	5,000	5,000	0	600	0	0	900	0	0	ENPD	WID	4444
520-0320	Private (Adv. Hqet. Improvement)	0	87	87	0	0	500	0	100	0	0	300	0	0	ENPD	WID	4273
520-0324	Private Sector Skills Imp. Dev.	0	88	89	0	0	0	0	0	0	4,500	300	500	0	ENPI		7135
520-0342	Central America Peace School	0	83-91	87	4,006	4,006	0	5,806	1,300	0	1,000	600	0	0	ENIZ	WID	7413
520-0344	Priv. Sector Educ. Init. (OPB)	0	87	91	0	1,500	0	1,500	40	0	0	400	0	0	ENIZ		--
520-0374	Education Sector Improvement	0	89	89	0	5,000	0	0	0	0	0	0	5,000	0	ENPP		--
TOTAL - EH																	
					28,570	39,340	22,517	7,854	3,111	0	4,000	3,450	4,000	0			
	GRANTS				16,844	27,154	10,313	6,084	3,285	0	6,000	3,450	4,000	0			
	LOANS				13,704	12,204	12,204	10,759	1,826	0	0	1,800	0	0			

-----Estimated U.S. Dollar Cost (\$0000)-----

Project No.	Project Title	O/L	PAID	Oblig. Date Int'l. Final	Total Cost		Oblig. Thru FY 1986	FY 1986 Pipe-Line	Mortgage		FY 1987 Oblig.	FY 1987 Expend.	FY 1988 Oblig.	FY 1988 Expend.	FY 1989 AMPL	I PWO FY 1988	Sub-Cat. FY 1989	Special Codes	Item No.	
					Author.	Planned			End of FY 1987	Expend.										
SELECTED DEVELOPMENT ACTIVITIES																				
520-0000.4	Program Development & Support	8	Cont.	69	Cont.	N/A	947	121	730	450	0	470	350	450	0	0	0	SPPP	5050	
520-0145	Special Development Fund	8	Cont.	63	Cont.	N/A	1,567	67	100	65	0	0	102	0	0	0	0	SOSH	5051	
520-0261	Low Cost Housing	8	86-88	88	88	0	0	0	300	100	300	0	0	300	0	0	0	SDHU	6669	
520-0316	Rural Water (DPB)	8	06-88	85	88	500	500	353	0	206	0	0	143	0	0	0	0	SDHM	6671	
520-0337	Private Sector Dev. Coord. (DPB)	8	03-88	85	85	1,500	1,500	1,172	0	572	0	0	600	0	0	0	0	SBPE	6672	
520-0341	Private Enterprise Development	8	87	89	89	0	0	0	5,120	0	2,530	2,530	970	0	0	0	0	SBPE	6673	
520-0344	Electrical Power Reserve	8	04-88	85	85	7,000	7,000	599	0	387	0	0	212	0	0	0	0	SBEG	7047	
520-0347	ASINDES PVG Development Program	8	06-88	86	88	1,050	1,050	1,050	0	435	0	500	500	0	100	0	0	SDAI	7138	
520-0369	Improved Admin. of Justice	8	89	90	90	0	0	0	0	0	0	0	0	4,400	0	0	0	SBZT	--	
520-0371	Tax Administration Improvement	8	88	89	89	0	0	0	0	0	0	1,000	500	2,000	0	0	0	SDTA	--	
520-0371	Tax Administration Improvement	L	88	89	89	0	0	0	0	0	0	1,000	0	0	0	0	0	SDTA	--	
520-0375	Micro Enterprise Development	8	88	89	89	0	0	0	0	0	0	1,000	250	1,000	0	0	0	SBPE	--	
520-0377	Micro Business Promotion (DPB)	8	87	87	87	0	0	0	750	200	0	0	300	0	0	0	0	SBPE	--	
TOTAL - SB						10,050	30,550	3,362	7,000	2,415	2,830	6,500	3,742	8,150						
GRANTS						10,050	29,550	3,362	7,000	2,415	2,830	5,500	3,742	8,150						
LOANS						0	1,000	0	0	0	0	1,000	0	0						
TOTAL - DA						143,883	251,613	147,689	33,221	30,859	28,799	33,300	34,331	34,000						
TOTAL GRANTS						71,313	155,275	77,985	33,221	16,622	11,165	25,300	23,704	23,800						
TOTAL LOANS						72,570	96,338	69,704	0	14,237	17,634	8,000	10,627	10,200						
ECONOMIC SUPPORT FUND																				
520-0000	Program Development & Support	8	Cont.	69	Cont.	500	500	500	0	150	0	0	350	0	0	0	0	0	ESSR	--
520-0276	Agribusiness Development	8	03-90	85	85	3,000	3,000	2,776	0	770	0	0	900	0	0	0	0	FMPE	6466	
520-0276	Agribusiness Development	L	03-90	85	85	9,500	9,500	9,262	0	1,600	0	0	3,300	0	0	0	0	FMPE	6473	
520-0347	Economic Stabilization Program	8	06-89	86	86	47,350	47,350	47,350	0	0	0	0	0	0	0	0	0	ESSR	6795	
520-0359	Economic Stabilization Program	8	04-90	87	87	56,000	56,000	0	56,000	56,000	0	0	0	0	0	0	0	ESSR	--	
520-0372	Economic Stabilization Program	8	04-91	88	88	0	0	0	0	0	0	74,500	80,000	0	0	0	0	ESSR	--	
520-0373	Economic Stabilization Program	8	04-92	89	89	0	0	0	0	0	0	0	0	81,100	0	0	0	ESSR	--	
520-0362	Central America Peace Schol.	8	03-91	87	90	15,962	15,962	0	2,562	0	13,400	5,500	5,000	6,900	0	0	0	EHZI	7414	
TOTAL - ESF						132,312	300,312	60,350	58,562	58,520	13,400	80,000	89,350	88,000						
TOTAL GRANTS						122,812	290,812	50,850	58,562	56,920	13,400	80,000	86,250	86,000						
TOTAL LOANS						9,500	9,500	9,500	0	1,600	0	0	3,300	0						
COUNTRY TOTALS																				
GRANTS						276,195	551,925	208,039	108,161	89,379	42,199	113,300	123,881	122,000						
LOANS						194,125	446,087	128,835	51,253	73,542	24,565	105,300	109,954	111,800						
TOTALS						82,070	105,838	79,204	56,908	15,837	17,634	8,000	13,927	10,200						

FY 1989 ANNUAL BUDGET SUBMISSION
 TABLE IV - ATTACHMENT 1
 FORESTRY

520 - GUATEMALA

Appropriation Account Project No.	Project Title	L/O	Life of Project	FY 1987 Estimate	FY 1988 Estimate	FY 1989 AAFL
AGRICULTURE, RURAL DEV. AND NUTRITION						
520-0274	Highlands Agricultural Development -- Reforestation	G	2,100 (545)	0	0	0
520-0274	Highlands Agricultural Development 1/ -- Reforestation	L	13,500 (862)	0	0	0
Appropriation Total			15,600	0	0	0
		G	2,100	0	0	0
		L	13,500	0	0	0

1/ Obligations for specified activities in forestry occurred prior to FY 1987-FY 1989.

FY 1989 ANNUAL BUDGET SUBMISSION
 TABLE IV - ATTACHMENT 2
 INTEGRATED RESOURCE MANAGEMENT

520 - GUATEMALA

Appropriation Account Project No.	Project Title	L/G	Life of Project	FY 1987 Estimate	FY 1988 Estimate	FY 1989 AAFL
AGRICULTURE, RURAL DEV. AND NUTRITION						
520-0274	Highlands Agricultural Development 1/ -- Soils Conservation	G	2,100 (520)	0 0	0 0	0 0
520-0274	Highlands Agricultural Development 1/ -- Soils Conservation	L	13,500 (7,260)	0 0	0 0	0 0
Appropriation Total				0	0	0
				0	0	0
				0	0	0

1/ Obligations for specified activities in integrated resource management
 occurred prior to FY 1987-FY 1989.

FY 1989 ANNUAL BUDGET SUBMISSION
 TABLE IV -- ATTACHMENT 3
 BIOLOGICAL DIVERSITY

520 - GUATEMALA

Appropriation Account Project No.	Project Title	L/G	Life of Project	FY 1987 Estimate	FY 1988 Estimate	FY 1989 AAPL
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USAID/Guatemala does not have any funding for specified activities in biological diversity.

FY 1989 ANNUAL BUDGET SUBMISSION
TABLE IV - ATTACHMENT 4
CHILD SURVIVAL

520 - GUATEMALA

Appropriation Account Project No.	Project Title	L/B	Life of Project	FY 1987 Estimate	FY 1988 Estimate	FY 1989 AAPL
POPULATION PLANNING						
520-0357	Improved Family Health	G	10,000	0	4,200	3,200
	-- Child Spacing	G	(9,500)	0	(3,990)	(3,040)
	-- Other CS Functions	G	(500)	0	(210)	(160)
	Appropriation Total		10,000	0	4,200	3,200
HEALTH						
520-0339	Immunization/ORT	G	8,345	248	0	0
	-- Immunization	G	(74.4)	(74.4)	0	0
	-- Oral Rehydration Therapy	G	(74.4)	(74.4)	0	0
	-- Other CS Functions	G	(99.2)	(99.2)	0	0
520-0357	Improved Family Health	G	5,000	0	5,000	1/
	-- Immunization	G	(1,500)	0	(1,500)	0
	-- Oral Rehydration Therapy	G	(1,500)	0	(1,500)	0
	-- Other CS Functions	G	(2,000)	0	(2,000)	0
	Appropriation Total		13,345	248	5,000	0
CHILD SURVIVAL						
520-0339	Immunization/ORT	G	5,570	3,970	0	0
	-- Immunization	G	(1,191)	(1,191)	0	0
	-- Oral Rehydration Therapy	G	(1,191)	(1,191)	0	0
	-- Other CS Functions	G	(1,588)	(1,588)	0	0
520-0357	Improved Family Health	G	10,000	0	5,900	2/
	-- Immunization	G	(1,770)	0	(1,770)	(480)
	-- Oral Rehydration Therapy	G	(1,770)	0	(1,770)	(480)
	-- Other CS Functions	G	(2,360)	0	(2,360)	(640)
	Appropriation Total		15,570	3,970	5,900	1,600

1/ Funds to come from deobligation of remaining pipeline under project No. 520-0339 and reobligation under this new project.
2/ Of total amount, \$4 million represents deobligation of remaining pipeline under project No. 520-0339.

AID PROGRAM IN FY 1989
ANNUAL BUDGET SUBMISSION
TABLE V - PROPOSED PROGRAM RANKING
(\$000)

520 - GUATEMALA

Rank	Project No.	Project Title	New/ Cont	Loan/ Grant	Appr.	Program Funding	
						Incr.	Cum.
01	0373	Economic Stabilization	N	G	ES	81,100	81,100
02	PL01	P.L. 480, Title I			PI	(20,000)	81,100
03	0255	Small Farmer Diversif. Systems	0	G	FN	2,800	83,900
04	0000.1	Program Development & Support	0	G	FN	550	84,450
05	0000.4	Program Development & Support	0	G	SD	450	84,900
06	0369	Improved Admin. of Justice	N	G	SD	4,400	89,300
07	0371	Tax Administration Improvement	0	G	SD	2,000	91,300
08	0332	Farm-to-Market Roads	0	G	FN	400	91,700
08	0332	Farm-to-Market Roads	0	L	FN	5,700	97,400
09	0000.6	Program Development & Support	0	G	CS	100	97,500
10	0000.2	Program Development & Support	0	G	HE	300	97,800
11	0000.5	Program Development & Support	0	G	FN	200	98,000
12	0357	Improved Family Health	0	0	FN	3,200	101,200
12	0357	Improved Family Health	0	0	CS	1,600	102,800
13	0353	Rural Electrification III	0	G	FN	500	107,300
13	0353	Rural Electrification III	0	L	FN	4,500	107,800
14	0362	Central America Peace School.	0	G	ES	6,900	114,700
15	0375	Micro Enterprise Development	0	0	SD	1,000	115,700
16	0374	Education Sector Improvement	N	G	EH	5,000	120,700
17	0324	Private Sector Skills Trg. Dev.	0	0	SD	500	121,200
18	0261	Low-Cost Housing	0	0	SD	300	121,500
19	0000.3	Program Development & Support	0	G	EH	500	122,000

LOCAL CURRENCY USE PLAN

The Mission's program has traditionally been funded from projected DA, ESF and Title II sources to meet the development priority needs of Guatemala. However, starting the end of FY 1984 with the first P.L. 480 Title I agreement, and more recently with the first Section 416 Sugar Quota Set-Aside and ESF agreements, local currency resources have become a more important source of funds to carry out NBCCA recommendations. FY 1987 is the fourth year of P.L. 480 Title I programs and the second year of both Section 416 Sugar Quota Set-Aside programs and ESF economic stabilization (cash transfer) programs. The ESF and Title I programs are expected to continue while an extension of the Section 416 program is uncertain. The total amount of local currency made available under these programs to date has been the equivalent of approximately \$184 million broken down as follows:

<u>Program</u>	<u>In \$ Millions</u>				<u>TOTAL</u>
	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>	
ESF	0.0	0.0	47.35	56.0 <u>1/</u>	103.35
P.L. 480, Title I	7.0	19.6	16.4	18.0	61.0
Section 416	<u>0.0</u>	<u>0.0</u>	<u>6.7</u>	<u>12.6</u>	<u>19.3</u>
TOTAL	<u>7.0</u>	<u>19.6</u>	<u>70.45</u>	<u>86.6</u>	<u>183.65</u>

1/ Does not include \$40 million in FY 1987 Supplemental request.

Most of these funds have been programmed already with the balance to be programmed shortly. The majority have been used to support the Mission's goals of economic growth and spreading the benefits of growth. To date, the largest amount of ESF local currencies has been provided as budgetary support to the Guatemalan Government, mainly directed towards Mission and other donor projects to maintain and expand rural infrastructure. In addition, ESF local currencies are being used to support profit and nonprofit (PVO) activities of the private sector,

while also covering the Mission's administrative, audit and PD&S requirements under specifically created trust funds. P.L. 480, Title I, and Section 416 funds have been used to carry out similar programs (with exception of OE, audit and PD&S activities) but with primary emphasis on agriculture and rural development. During the period FY 1988-FY 1989, the anticipated annual generation of new local currency from ESF/Title I agreements will represent over 500 million quetzales and offer the Mission an excellent opportunity to have even a larger impact on the twin goals of economic growth and equity. To ensure the effective and efficient programming, use and control of such resources, the Mission has established the following guiding principles:

-- Local currency should be used in such a manner that they will support economic stabilization while at the same time providing the necessary support to economic growth and development activities. Towards this end, most of the funds should be used in such a way as to avoid contributing to inflation or adding to the Government's fiscal deficit.

-- Priority uses of local currency are as follows: establish and replenish trust funds to provide administrative and operational support of USAID/Guatemala (as well as ROCAP) activities and to meet audit and PD&S requirements; financing of private sector activities (with priority to go first towards support of for-profit private sector initiatives followed by strengthening of U.S. and indigenous PVOs) -- with the proportion under the ESF program for this area to increase each year toward a target of 50% by FY 1989; and financing of public sector development activities -- with first priority going for counterpart needs of USAID-financed programs/projects, followed by those of multilateral donors (IBRD, IDB, WFP and UNDP), and then the Government's own programs/projects.

Based on the above principles the Mission will seek to jointly program the uses of local currencies to accomplish its goals and objectives to meet Guatemala's priority development needs in the following manner:

-- In support of economic growth, ESF, P.L. 480, Title I and Section 416 resources (to extent latter are available) will be used to support USAID and other donor projects promoting increased agricultural production through improved rural infrastructure (roads, irrigation, etc.) and strengthening of other aspects of the agricultural sector such as the availability of credit in a timely manner, crop diversification activities, and

improved planning and information capacity. ESF, P.L. 480 Title I, and Section 416 resources will also be used to strengthen the private sector through the promotion of investment and exports under the new FY 1987 Private Enterprise Development Project, the provision of credit and other resources to micro-, small- and medium-size enterprises, and the use of private sector institutions or approaches to improve the efficiency of social programs.

-- In support of spreading the benefits of growth, ESF and P.L. 480, Title I and Section 416 resources will be used to provide additional support to the National Bilingual Education Program through our project and other related activities, to lend additional support to improved family health through existing and new child survival interventions such as the proposed Improved Family Health project in FY 1988, and to finance support of urgently needed Guatemala Government interventions in such critical areas as malaria control.

In addition to the above goals, the Mission also plans to use ESF and P.L. 480, Title I resources to support democratization goals of strengthening judicial, legislative and electoral processes and related organizations, while also supporting our Central America Peace Scholarships program.

The total amounts of available local currency and the planned uses of such resources are shown in the attached Table VI.

FY 1989 ANNUAL BUDGET SUBMISSION
 Table VI: Expenditures of Local Currency Generations
 (All in the U.S. dollar equivalents and in \$ Millions)

<u>Sources/Purposes</u>	<u>1986 Actual</u>	<u>1987 Estim.</u>	<u>1988 Planned</u>	<u>1989 Prop.</u>
I. <u>ECONOMIC SUPPORT FUND</u>				
A. Public Development Activities <u>1/</u>				
1. Agriculture/Rural Development (Rural infrastruc- ture such as roads, bridges, electrifi- cation, etc.)	19.4	19.0	21.2	19.6
2. Health (Water and sanita- tion, construction and maintenance of health facilities, etc.)	4.91	5.0	7.2	6.6
3. Education (Construction/main- tenance of primary schools, support of rural education ac- tivities, etc.)	3.27	5.0	7.2	6.6
4. Housing/Urban Devel.	6.06	2.8	4.0	3.6
5. Support to Private Sector (Infrastructure im- provements -- high- ways/ports, etc.)	2.48	2.8	4.0	3.6
6. Other (Reserve)	<u>10.48</u>	<u>2/ 3.0</u>	<u>4.4</u>	<u>4.0</u>
Sub-Total	46.60	37.6	48.0	44.0

<u>Sources/Purposes</u>	<u>1986 Actual</u>	<u>1987 Estim.</u>	<u>1988 Planned</u>	<u>1989 Prop.</u>
B. Private Sector Programs <u>3/</u>				
1. For-Profit, Private Sector	0.0	10.5	20.0	29.2
2. Private Voluntary Organizations	0.0	2.8	4.0	6.0
3. Other	<u>0.0</u>	<u>0.4</u>	<u>0.0</u>	<u>0.0</u>
Sub-Total	0.0	13.7	24.0	35.2
C. Public Sector Recurrent Budget	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Sub-Total	0.0	0.0	0.0	0.0
D. Other (Trust Funds)				
1. AID Operating Expenses (USAID/ROCAP)	0.75	3.9	6.4	6.9
2. Audits	0.0	0.2	0.6	0.7
3. Program Devel. & Support	<u>0.0</u>	<u>0.6</u>	<u>1.0</u>	<u>1.2</u>
Sub-Total	0.75	4.7	8.0	8.8
II. <u>DEVELOPMENT ASSISTANCE</u>				
A. Public Dev. Activities	0.0	0.0	0.0	0.0
B. Private Sector Programs, Small Enterprise Credit	0.0	0.0	0.0	0.0
C. Public Sector Recurrent Budget	0.0	0.0	0.0	0.0
D. AID Operating Expenses (Trust Fund)	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Sub-Total	0.0	0.0	0.0	0.0
Sub-Total ESF & DA	47.35	56.0	<u>4/</u> 80.0	88.0

<u>Sources/Purposes</u>	<u>1986 Actual</u>	<u>1987 Estim.</u>	<u>1988 Planned</u>	<u>1989 Prop.</u>
III. <u>P.L. 480 5/ 6/</u>				
A. Public Development Activities				
1. Support for economic reactivation program of GOG (investment budget for ag/rural development)				
a. Soil conserva- tion, irrigat.	0.1	1.7	6.0	4.7
b. Access roads/ highways	0.0	3.3	1.7	0.0
c. Rural devel. projects with National Re- const. Comm.	0.1	1.1	0.2	0.0
2. Other (capitaliza- tion BANDESA pilot savings mobilizat., land settlement/po- table water)	4.2	3.7	0.5	0.0
3. Counterpart Funding				
a. AID projects	1.5	7.1	2.3	3.4
b. Other Donor projects	0.0	4.5	1.4	1.8
4. Animal/Plant Health	<u>1.4</u>	<u>1.7</u>	<u>1.8</u>	<u>1.4</u>
Sub-Total	7.3	23.1	13.9	11.3
B. Private Sector Programs				
1. Support of PVOs	<u>0.1</u>	<u>0.5</u>	<u>2.0</u>	<u>7.2</u>
Sub-Total	7.4	23.6	15.9	18.5
GRAND TOTAL	<u>54.75</u>	<u>79.2</u>	<u>95.9</u>	<u>106.2</u>

Footnotes:

- 1/ Public sector budget support for AID, other donor, GOG projects.
- 2/ Unprogrammed in FY 1986, available for use in FY 1987.
- 3/ In FY 1987, for-profit private sector amount will be used to support new Private Enterprise Development Project No. 520-0341.
- 4/ Without \$40 million from FY 1987 Supplemental.
- 5/ Actual/Planned expenditures do not include 5% CUP/5% payment.
- 6/ With regard to P.L. 480, Title I agreements, 75% of expenditures generally occur in first year following the agreement with the remaining amount in the second year.

OPERATING EXPENSE NARRATIVE

A. Management Improvements

During his first year in office President Vinicio Cerezo has made steady progress toward economic stabilization and growth in Guatemala, an expanded equity based development program and a return to democratic institutions. To help Guatemala realize its goals, developmental aid has been expanded from 24.1 million in 1984 to over 120 million in 1987. However, this five-fold increase in our program has now created critical shortages of staff, office space and other management problems. We are trying to solve these problems (which are compounded by security restrictions on the number of U.S. direct hires and enhanced security requirements for office buildings) through the addition of a minimum of three U.S. direct hires, better utilization of FSN personnel, increased productivity through automation, and an expansion of office space into nearby annexes. Our basic aims are to increase productivity and decrease vulnerability to fraud and mismanagement of funds while at the same time keeping operating expenses at minimal effective levels.

1. Staffing Requirements

In the Action Plan the Mission requested three additional USDH positions as follows: a contracting officer, an agricultural advisor to manage the expanded Commercial Land Markets II project (No. 520-0348) and a deputy for the new Office of Private Sector Programs. These three new positions represent the minimum needed for effective and efficient Mission management.

a. The Procurement and Supply Office manages more than \$30,000,000 a year in U.S. and host country procurement. A USDH slot is needed for a contracting officer to handle the increased volume and technical complexity of the Mission's procurement workload.

b. The expanded Commercial Land Markets II project requires a person with previous experience in managing such efforts as well as an awareness of host country sensibilities in such areas.

c. The newly created Private Sector Programs Office requires a deputy with AID experience to manage a number of new private sector initiatives -- especially the proposed Private Enterprise Development project in FY 1987. and a myriad of activities associated with the establishment of such an office.

The Mission is filling other essential positions with a combination of resident hire US PSCs and highly qualified Guatemalan PSCs which are very cost effective. This Mission is also very fortunate in having available a large number of highly educated direct hire Guatemalans (many of whom have advanced degrees from U.S. universities), whose responsibilities have been increased in light of their proven capabilities.

2. Training

Even though many of our recently hired Guatemalan professionals are skilled in their fields, they require extensive formal and on-the-job training before they are fully functioning members in the Mission. We are providing this training for them and others as follows:

a. General training group sessions conducted here at post. We arranged with the University of Arizona to provide a three-day general management course for senior project managers and administrative/financial personnel at a very low cost. Another three-day course in general office management was held for the senior secretaries at a very low cost as well. These efforts have proven to be very successful. In addition, we are also planning to provide business writing and English courses for project managers in need of such skills to enhance their productivity.

b. Individual courses in the U.S. or Guatemala geared to the trainee's needs. In the past year we have enrolled FSNs in management and technical courses in such areas as C&R, Personnel, Programming, Health, Agriculture, Project Implementation, Management, word procesing and Lotus.

c. Self-development USAID pays tuition for afterhours courses directly related to the present job and many Guatemalans are studying at the local universities, majoring in subjects ranging from computer science to human resources. In addition, because of the high cost of U.S. publications in comparison with FSN salaries, USAID funds the cost of technical journals related to the employee's fields.

3. Management System Improvement

a. The Controller's Office is almost completely automated through MACs. The Executive Office has fully automated records of expendable and nonexpendable property and has begun work on a comprehensive package to automate the US and FSN DH and PSC records. Guatemala has also offered to be a test site for the software program being developed by Costa Rica to computerize the motor pool records. This automation not only increases productivity but also decreases vulnerability to mismanagement and loss as status reports can be obtained on an immediate basis.

b. Both our use of Mission-developed software programs which automate specific functions (such as the personnel and property management records) and the word processing and data management requirements of our heavy workload has greatly exceeded the capacity of the number of workstations and computers available. We need more workstations and computers to meet expanded workload needs and have budgeted for them in this ABS.

c. Furthermore, we need a waiver of the requirement that all software and hardware over \$150 must be purchased through IRM. Current delivery time through IRM contractors represents an impediment to efficient Mission operations and we can purchase hardware locally and have it installed much more quickly and at less costs. Once an equipment standardization plan has been approved by IRM, USAIDs should have authority to purchase goods wherever they can obtain the best price and service.

4. Office Space

The USAID has outgrown the present office building, which, based on recent studies, is possibly unstable should we have an earthquake. We have conducted extensive negotiations with local investors willing to construct a building to our specifications and enter into a lease/purchase arrangement with USAID, but this effort was aborted when SER/MO advised that, because of the current security regulations, it will be impossible to construct a new building in the foreseeable future. We also commissioned a market survey to find an existing building large enough to house both USAID and ROCAP but none exists at this time that is available for rent. To resolve our space problem, we have leased a small building nearby for the Executive Office but have been unable to move in due to lack of funds to contract for the necessary telephone and computer installations. We have also located another small building which

provides adequate security, but we need a security waiver from the Dept. of State before we can negotiate and sign a lease -- a process that has taken two to three months thus far. When and if we have received the necessary waiver we will still have a long delay occupying the building due to the need to contract for computer and telephone installations.

When and if we have the money and security clearances to expand into the two new buildings mentioned above, productivity will still be seriously affected by having USAID staff live in three separate buildings two miles away from each other. In addition, having offices in three separate buildings also requires additional guards, receptionists, driver/messengers and gardeners, all of whom will increase the OE budget. As a solution, we would like to request a relaxation of the security regulations on office buildings. We realize that SER/MO and IG/SEC share our feeling of frustration and are doing everything possible to solve this problem.

5. Other

Although management improvements described in the foregoing section will enable the Mission to accomplish more than would otherwise be the case, the budget level provided in 87 STATE 149902 of U.S.\$592,600 for the fiscal year 1987 is not adequate. Therefore, we are submitting a supplemental Table VIII and Table VIII(a) that addresses our needs in an adequate manner. Changes reflect needs identified for U.S. PSC positions since the Action Plan submission, since all missions are now required to fund long-term (one year or more) PSC positions from Operating Expenses rather than Program Development and Support funds as had been the case under previous instructions.

Section B - Trust Funds

In late FY 1986 the first USAID/Guatemala trust fund was established at the U.S. Dollar equivalent of \$750,000. In FY 1987 the ESF agreement provided the equivalent of \$3,600,000 in trust funds to cover local operating costs for approximately 18 months for USAID/Guatemala. Table VIII reflects the budgeted uses of these trust funds for the ABS period.

Organization: USAID GUATEMALA

TABLE VIII (a)

Narrative

FY 87-88

FUNCTION
CODE

U100 US DIRECT HIRE

The 3% increase was caused by the addition of 1.6 units to the workforce level.

U200 FOREIGN NATIONAL DH

The addition of 3.2 units to the workforce level and the estimated salary increase of 10% are the primary reasons for the 21% increase from FY 1987 to FY 1988.

U300 CONTRACT PERSONNEL

Because of personnel ceilings and new guidelines on funding of PSC's with PD&S funds, the use of personal services contractors is required to fill existing positions and new ones essential to carry out functions normally performed by USDH employees. Of the total increase of 96%, eighty nine (89) percent is caused by this reason. The 10% increase in salaries of FN PSC's accounts for the additional increase.

U400 HOUSING

While the costs of quarters allowances increased considerably with the addition of 4.7 units, large reductions in the procurement of residential furniture/equipment and related transportation costs resulted in a net increase of only 4 1/2 percent from the previous year.

U500 OFFICE OPERATIONS

The increase of 21% was primarily caused by the procurement of residential furniture/equipment (17%). The additional increase is due to rising costs of utilities, renovation and maintenance and security guard services.

FY 88-89

FUNCTION
CODE

U100 US DIRECT HIRE

Basic pay alone represents an increase of \$344.6 or 20% over the previous year, due to the additional 7 units in the Mission USDH workforce. Other increases are in the areas of movements related to post assignments (7%), differential pay and retirement (4%), differential pay (2%), and education allowances (2%).

U200 FOREIGN NATIONAL DH

Of the 11% increase, 10% is due to the estimated salary increase, and 1% represents the proportional increase in fringe benefits, such as medical and life insurance and Christmas bonus.

U400 HOUSING

Price increases in leases and utilities estimated at 20% and the additional 4.8 units in quarters allowances caused an increase of 26% to this function code.

Organization USAID/Guatemala
 Budget Plan Code COEA FY 86

TABLE VIII
 (\$000)

<u>Expense Category</u>	<u>Func. Code</u>	<u>Dollars</u>	<u>Trust Funds</u>	<u>Total</u>	<u>Units</u>	<u>Unit Cost</u>
<u>U.S. Direct Hire</u>	<u>U100</u>	<u>1,362.7</u>		<u>1,362.7</u>		
U.S. Full time Basic Pay	U101	918.2		918.2	18.9	48.6
U.S. Part time Basic Pay	U102	0.0		0.0		
Differential Pay	U103	132.1		132.1		
Other AID/W Funded Code 11	U104	0.0		0.0		
Other Mission Funded Code 11	U105	0.0	0.0	0.0		
Education Allowances	U106	27.6	0.0	27.6	18.0	1.5
Retirement	U107	79.6		79.6		
Cost of Living Allowances	U108	0.0	0.0	0.0		
Other AID/W Funded Code 12	U109	20.7		20.7		
Other Mission Funded Code 12	U110	35.0	0.0	35.0		
Post Assignment Travel	U111	12.4	0.0	12.4	11.0	1.1
Post Assignment Freight	U112	86.9	0.0	86.9	11.0	7.9
Home Leave Travel	U113	15.2	0.0	15.2	5.0	3.0
Home Leave Freight	U114	22.7	0.0	22.7	5.0	4.5
Education Travel	U115	4.3	0.0	4.3	4.0	1.1
R&R Travel	U116	4.2	0.0	4.2	6.0	0.7
Other Code 215 Travel	U117	3.8	0.0	3.8	10.0	0.4
<u>Foreign National Direct Hire</u>	<u>U200</u>	<u>61.9</u>	<u>191.9</u>	<u>253.8</u>		
F.N. Basic Pay	U201	38.9	184.8	223.7	27.0	8.3
Overtime/Holiday Pay	U202	1.0	4.1	5.1	0.7	7.3
All Other Code 11-F.N.	U203	0.0	3.0	3.0		
All Other Code 12-F.N.	U204	22.0	0.0	22.0		
Benefits - Former F.N. Pers.	U205	0.0	0.0	0.0		
<u>Contract Personnel</u>	<u>U300</u>	<u>218.5</u>	<u>66.8</u>	<u>285.3</u>		
PASA Technicians	U301	0.0	0.0	0.0		
U.S. PSC Salaries/Benefits	U302	47.8	0.0	47.8	2.0	23.9
All Other U.S. PSC Costs	U303	0.0	0.0	0.0		
F.N. PSC Salaries/Benefits	U304	78.7	50.2	128.9	23.0	5.6
All Other F.N. PSC Costs	U305	0.0	0.0	0.0		
Manpower Contracts	U306	92.0	16.6	108.6		
JCC Costs Paid by AID/W	U307	0.0	0.0	0.0		
<u>Housing</u>	<u>U400</u>	<u>195.3</u>	<u>0.0</u>	<u>195.3</u>		
Residential Rent	U401	7.7	0.0	7.7	0.3	25.7
Residential Utilities	U402	1.0	0.0	1.0		
Maintenance & Renovation	U403	0.4	0.0	0.4		
Quarters Allowances	U404	160.7	0.0	160.7	17.0	9.5
Residential Furniture/Equip.	U405	13.6	0.0	13.6		
Trans/Freight - Code 311	U406	7.5	0.0	7.5		
Security Guard Services	U407	3.0	0.0	3.0		
Official Residence Allowance	U408	0.1	0.0	0.1		
Representation Allowance	U409	1.3	0.0	1.3		

TABLE VIII
Continued
(\$000) (1986)

<u>Expense Category</u>	<u>Func Code</u>	<u>Dollars</u>	<u>Trust Funds</u>	<u>Total</u>	<u>Units</u>	<u>Unit Cost</u>
<u>Office Operations</u>	U500	351.9	91.4	443.3		
Office Rent	U501	66.6	0.0	66.6		
Office Utilities	U502	7.0	0.0	7.0		
Building Maint/Renovation	U503	8.5	30.1	38.6		
Office Furniture/Equipment	U504	27.0	0.0	27.0		
Vehicles	U505	0.0	0.0	0.0		
Other Equipment	U506	5.6	0.0	5.6		
Transportation/Freight	U507	1.0	0.0	1.0		
Furn/Equip/Veh Repair/Maint	U508	40.9	0.0	40.9		
Communications	U509	4.2	23.9	28.1		
Security Guard Services	U510	12.0	22.6	34.6		
Printing	U511	6.9	7.0	13.9		
Site Visits - Mission	U513	4.7	0.0	4.7	45.0	0.1
Site Visits - AID/W	U514	15.5	0.0	15.5	18.0	0.9
Information Meetings	U515	12.7	1.3	14.0	16.0	0.9
Training Attendance	U516	5.8	0.0	5.8	5.0	1.2
Conference Attendance	U517	6.7	0.0	6.7	9.0	0.7
Other Operational Travel	U518	1.4	0.0	1.4	1.0	1.4
Supplies & Materials	U519	86.5	6.5	93.0		
FAAS	U520	19.2	0.0	19.2		
Contract Consulting Services	U521	0.0	0.0	0.0		
Contract Mgt/Prof. Services	U522	0.0	0.0	0.0		
Special Studies/Analyses	U523	0.0	0.0	0.0		
All Other Code 25	U524	19.7	0.0	19.7		
TOTAL OPERATING EXPENSE BUDGET		<u>2,190.3</u>	<u>350.1</u>	<u>2,540.4</u>		
Reconciliation		1,169.8	0.0	1,169.8		
Operating Budget Requirements						
636 (c) Requirements	U601	0.0	0.0	0.0		
TOTAL ALLOWANCE REQUIREMENTS	U000	<u>1,020.5</u>	<u>350.1</u>	<u>1,370.6</u>		

Organization USAID/Guatemala
 Budget Plan Code COEA FY 87

TABLE VIII
 (\$000)

<u>Expense Category</u>	<u>Func. Code</u>	<u>Dollars</u>	<u>Trust Funds</u>	<u>Total</u>	<u>Units</u>	<u>Unit Cost</u>
<u>U.S. Direct Hire</u>	<u>U100</u>	<u>1608.1</u>	<u>105.0</u>	<u>1713.0</u>		
U.S. Full time Basic Pay	U101	1100.7		1100.7	20.7	53.2
U.S. Part time Basic Pay	U102	0.0		0.0		
Differential Pay	U103	165.1		165.1		
Other AID/W Funded Code 11	U104	21.1		21.1		
Other Mission Funded Code 11	U105	0.0	0.0	0.0		
Education Allowances	U106	0.0	55.0	55.0	26.0	2.1
Retirement	U107	77.0		77.0		
Cost of Living Allowances	U108	0.0	0.0	0.0		
Other AID/W Funded Code 12	U109	39.6		39.6		
Other Mission Funded Code 12	U110	14.3	50.0	64.3		
Post Assignment Travel	U111	28.1	0.0	28.1	16.0	1.8
Post Assignment Freight	U112	90.0	0.0	90.0	15.0	6.0
Home Leave Travel	U113	26.0	0.0	26.0	20.0	1.3
Home Leave Freight	U114	19.9	0.0	19.9	20.0	1.0
Education Travel	U115	3.9	0.0	3.9	6.0	0.7
R&R Travel	U116	13.4	0.0	13.4	12.0	1.1
Other Code 215 Travel	U117	9.0	0.0	9.0	6.0	1.5
<u>Foreign National Direct Hire</u>	<u>U200</u>	<u>0.0</u>	<u>472.1</u>	<u>472.1</u>		
F.N. Basic Pay	U201	0.0	399.0	399.0	37.8	10.6
Overtime/Holiday Pay	U202	0.0	13.6	13.6	2.0	6.8
All Other Code 11-F.N.	U203	0.0	4.0	4.0		
All Other Code 12-F.N.	U204	0.0	54.5	54.5		
Benefits - Former F.N. Pers.	U205	0.0	1.0	1.0		
<u>Contract Personnel</u>	<u>U300</u>	<u>18.6</u>	<u>704.8</u>	<u>723.4</u>		
PASA Technicians	U301	0.0	0.0	0.0		
U.S. PSC Salaries/Benefits	U302	18.6	0.0	18.6	1.0	2.3
All Other U.S. PSC Costs	U303	0.0	0.0	0.0		
F.N. PSC Salaries/Benefits	U304	0.0	511.2	511.2	76.0	6.7
All Other F.N. PSC Costs	U305	0.0	32.6	32.6		
Manpower Contracts	U306	0.0	161.0	161.0		
JCC Costs Paid by AID/W	U307	0.0	0.0	0.0		
<u>Housing</u>	<u>U400</u>	<u>87.9</u>	<u>280.1</u>	<u>368.0</u>		
Residential Rent	U401	0.0	24.9	24.9	1.0	24.9
Residential Utilities	U402	0.0	2.2	2.2		
Maintenance & Renovation	U403	0.0	3.0	3.0		
Quarters Allowances	U404	0.0	187.6	187.6	16.6	11.3
Residential Furniture/Equip.	U405	69.5	45.0	114.5		
Trans/Freight - Code 311	U406	17.4	0.0	17.4		
Security Guard Services	U407	0.0	16.4	16.4	2.0	8.2
Official Residence Allowance	U408	0.0	1.0	1.0		
Representation Allowance	U409	1.0	0.0	1.0		

TABLE VIII
Continued 1987
(\$000)

<u>Expense Category</u>	<u>Func Code</u>	<u>Dollars</u>	<u>Trust Funds</u>	<u>Total</u>	<u>Units</u>	<u>Unit Cost</u>
<u>Office Operations</u>	U500	<u>300.7</u>	<u>601.8</u>	<u>902.5</u>		
Office Rent	U501	0.0	132.8	132.8		
Office Utilities	U502	0.0	17.6	17.6		
Building Maint/Renovation	U503	0.0	45.6	45.6		
Office Furniture/Equipment	U504	16.7	77.9	94.6		
Vehicles	U505	35.0	0.0	35.0	1.8	19.4
Other Equipment	U506	6.1	29.7	35.8		
Transportation/Freight	U507	14.5	0.0	14.5		
Furn/Equip/Veh Repair/Maint	U508	0.0	15.6	15.6		
Communications	U509	0.0	73.7	73.7		
Security Guard Services	U510	0.0	39.0	39.0	5.0	7.8
Printing	U511	0.0	32.3	32.3		
Site Visits - Mission	U513	0.0	9.0	9.0	44.0	0.2
Site Visits - AID/W	U514	25.0	0.0	25.0	22.0	1.0
Information Meetings	U515	30.0	0.0	30.0	20.0	1.5
Training Attendance	U516	12.0	0.0	12.0	8.0	1.5
Conference Attendance	U517	16.0	0.0	16.0	28.0	0.6
Other Operational Travel	U518	8.0	0.0	8.0	4.0	2.0
Supplies & Materials	U519	0.0	51.6	51.6		
FAAS	U520	19.2	0.0	19.2		
Contract Consulting Services	U521	51.2	0.0	51.2		
Contract Mgt/Prof. Services	U522	67.2	77.0	144.2		
Special Studies/Analyses	U523	0.0	0.0	0.0		
All Other Code 25	U524	0.0	0.0	0.0		
TOTAL OPERATING EXPENSE BUDGET		<u>2015.3</u>	<u>2163.8</u>	<u>4179.1</u>		
Reconciliation		1422.7	0.0	1422.7		
Operating Budget Requirements		2015.3	2163.8	4179.1		
636 (c) Requirements	U601	0.0	0.0	0.0		
TOTAL ALLOWANCE REQUIREMENTS	U000	<u>592.6</u>	<u>2163.8</u>	<u>2756.4</u>		

OTHER INFORMATION

Dollar Requirements for Local Currency Purchases	<u>0</u>
Exchange Rate Used (Average rate for FY 86/87)	<u>2.6</u>
Estimated Inflation Rate	<u>20</u>

TABLE VIII
(\$000)(1987) - Supplemental

<u>Expense Category</u>	<u>Func. Code</u>	<u>Dollars</u>	<u>Trust Funds</u>	<u>Total</u>	<u>Units</u>	<u>Unit Cost</u>
<u>U.S. Direct Hire</u>	<u>U100</u>	<u>1,608.1</u>	<u>105.0</u>	<u>1,713.1</u>		
U.S. Full time Basic Pay	U101	1,100.7		1,100.7	20.7	53.2
U.S. Part time Basic Pay	U102	0.0		0.0		
Differential Pay	U103	165.1		165.1		
Other AID/W Funded Code 11	U104	21.1		21.1		
Other Mission Funded Code 11	U105	0.0	0.0	0.0		
Education Allowances	U106	0.0	55.0	55.0	26.0	2.1
Retirement	U107	77.0		77.0		
Cost of Living Allowances	U108	0.0	0.0	0.0		
Other AID/W Funded Code 12	U109	39.6		39.6		
Other Mission Funded Code 12	U110	14.3	50.0	64.3		
Post Assignment Travel	U111	28.1	0.0	28.1	10.0	2.8
Post Assignment Freight	U112	90.0	0.0	90.0	10.0	9.0
Home Leave Travel	U113	26.0	0.0	26.0	10.0	2.6
Home Leave Freight	U114	19.9	0.0	19.9	10.0	2.0
Education Travel	U115	3.9	0.0	3.9	3.0	1.3
R&R Travel	U116	13.4	0.0	13.4	34.0	0.4
Other Code 215 Travel	U117	9.0	0.0	9.0	3.0	3.0
<u>Foreign National Direct Hire</u>	<u>U200</u>	<u>0.0</u>	<u>472.1</u>	<u>472.1</u>		
F.N. Basic Pay	U201	0.0	399.0	399.0	37.8	10.6
Overtime/Holiday Pay	U202	0.0	13.6	13.6	2.0	6.8
All Other Code 11-F.N.	U203	0.0	4.0	4.0		
All Other Code 12-F.N.	U204	0.0	54.5	54.5		
Benefits - Former F.N. Pers.	U205	0.0	1.0	1.0		
<u>Contract Personnel</u>	<u>U300</u>	<u>585.0</u>	<u>704.8</u>	<u>1289.8</u>		
PASA Technicians	U301	0.0	0.0	0.0		
U.S. PSC Salaries/Benefits	U302	585.0	0.0	585.0	8.0	73.1
All Other U.S. PSC Costs	U303	0.0	0.0	0.0		
F.N. PSC Salaries/Benefits	U304	0.0	511.2	511.2	76.0	6.7
All Other F.N. PSC Costs	U305	0.0	32.6	32.6		
Manpower Contracts	U306	0.0	161.0	161.0		
JCC Costs Paid by AID/W	U307	0.0	0.0	0.0		
<u>Housing</u>	<u>U400</u>	<u>87.9</u>	<u>280.1</u>	<u>368.0</u>		
Residential Rent	U401	0.0	24.9	24.9	1.0	24.9
Residential Utilities	U402	0.0	2.2	2.2		
Maintenance & Renovation	U403	0.0	3.0	3.0		
Quarters Allowances	U404	0.0	187.6	187.6	16.6	11.3
Residential Furniture/Equip.	U405	69.5	45.0	114.5		
Trans/Freight - Code 311	U406	17.4	0.0	17.4		
Security Guard Services	U407	0.0	16.4	16.4	2.0	8.2
Official Residence Allowance	U408	0.0	1.0	1.0		
Representation Allowance	U409	1.0	0.0	1.0		

TABLE VIII
Continued
(\$000) (1987)

<u>Expense Category</u>	<u>Func Code</u>	<u>Dollars</u>	<u>Trust Funds</u>	<u>Total</u>	<u>Units</u>	<u>Unit Cost</u>
<u>Office Operations</u>	U500	<u>300.7</u>	<u>601.8</u>	<u>902.5</u>		
Office Rent	U501	0.0	132.8	132.8		
Office Utilities	U502	0.0	17.6	17.6		
Building Maint/Renovation	U503	0.0	45.6	45.6		
Office Furniture/Equipment	U504	16.7	77.9	94.6		
Vehicles	U505	35.0	0.0	35.0	1.8	19.4
Other Equipment	U506	6.1	29.7	35.8		
Transportation/Freight	U507	14.5	0.0	14.5		
Furn/Equip/Veh Repair/Maint	U508	0.0	15.6	15.6		
Communications	U509	0.0	73.7	73.7		
Security Guard Services	U510	0.0	39.0	39.0	5.0	7.8
Printing	U511	0.0	32.3	32.3		
Site Visits - Mission	U513	0.0	9.0	9.0	44.0	0.2
Site Visits - AID/W	U514	25.0	0.0	25.0	22.0	1.1
Information Meetings	U515	30.0	0.0	30.0	20.0	1.5
Training Attendance	U516	12.0	0.0	12.0	8.0	1.5
Conference Attendance	U517	16.0	0.0	16.0	28.0	0.6
Other Operational Travel	U518	8.0	0.0	8.0	4.0	2.0
Supplies & Materials	U519	0.0	51.6	51.6		
FAAS	U520	19.2	0.0	19.2		
Contract Consulting Services	U521	51.0	0.0	51.0		
Contract Mgt/Prof. Services	U522	67.2	77.0	144.2		
Special Studies/Analyses	U523	0.0	0.0	0.0		
All Other Code 25	U524	0.0	0.0	0.0		
TOTAL OPERATING EXPENSE BUDGET		<u>2,581.7</u>	<u>2163.8</u>	<u>4,745.5</u>		
Reconciliation		<u>1,422.7</u>	<u>0.0</u>	<u>1,422.7</u>		
Operating Budget Requirements						
636 (c) Requirements	U601	0.0	0.0	0.0		
TOTAL ALLOWANCE REQUIREMENTS	U000	<u>1,159.0</u>	<u>2163.8</u>	<u>3,322.8</u>		

Organization USAID/Guatemala
 Budget Plan Code COEA FY 88

TABLE VIII
 (\$000)

<u>Trust</u>	<u>Func.</u>					
<u>Expense Category</u>	<u>Unit</u>	<u>Dollars</u>	<u>Funds</u>	<u>Total</u>		
<u>Units</u>	<u>Code</u>					
<u>Cost</u>						
<u>U.S. Direct Hire</u>	<u>U100</u>	<u>1700.9</u>	<u>65.0</u>	<u>1765.9</u>		
U.S. Full time Basic Pay	U101	1261.5		1261.5	23.0	54.8
U.S. Part time Basic Pay	U102	0.0		0.0		
Differential Pay	U103	189.2		189.2		
Other AID/W Funded Code 11	U104	9.4		9.4		
Other Mission Funded Code 11	U105	0.0	0.0	0.0		
Education Allowances	U106	0.0	58.0	58.0	29.0	2.0
Retirement	U107	88.3		88.3		
Cost of Living Allowances	U108	0.0	0.0	0.0		
Other AID/W Funded Code 12	U109	47.2		47.2		
Other Mission Funded Code 12	U110	7.6	7.0	14.6		
Post Assignment Travel	U111	6.0	0.0	6.0	5.0	1.2
Post Assignment Freight	U112	24.0	0.0	24.0	5.0	4.8
Home Leave Travel	U113	20.0	0.0	20.0	12.0	1.7
Home Leave Freight	U114	18.0	0.0	18.0	12.0	1.5
Education Travel	U115	3.9	0.0	3.9	6.0	0.7
R&R Travel	U116	16.8	0.0	16.8	19.0	0.9
Other Code 215 Travel	U117	9.0	0.0	9.0	6.0	1.5
<u>Foreign National Direct Hire</u>	<u>U200</u>	<u>0.0</u>	<u>572.1</u>	<u>572.1</u>		
F.N. Basic Pay	U201	0.0	493.1	493.1	41.0	12.0
Overtime/Holiday Pay	U202	0.0	16.0	16.0	2.0	8.0
All Other Code 11-F.N.	U203	0.0	4.9	4.9		
All Other Code 12-F.N.	U204	0.0	57.1	57.1		
Benefits - Former F.N. Pers.	U205	0.0	1.0	1.0		
<u>Contract Personnel</u>	<u>U300</u>	<u>664.0</u>	<u>756.9</u>	<u>1420.9</u>		
PASA Technicians	U301	0.0	0.0	0.0		
U.S. PSC Salaries/Benefits	U302	664.0	0.0	664.0	9.0	73.8
All Other U.S. PSC Costs	U303	0.0	0.0	0.0		
F.N. PSC Salaries/Benefits	U304	0.0	604.6	604.6	76.0	8.0
All Other F.N. PSC Costs	U305	0.0	36.8	36.8		
Manpower Contracts	U306	0.0	115.5	115.5		
JCC Costs Paid by AID/W	U307	0.0	0.0	0.0		
<u>Housing</u>	<u>U400</u>	<u>62.3</u>	<u>322.4</u>	<u>384.7</u>		
Residential Rent	U401	0.0	24.9	24.9	1.0	24.9
Residential Utilities	U402	0.0	2.6	2.6		
Maintenance & Renovation	U403	0.0	1.0	1.0		
Quarters Allowances	U404	0.0	249.4	249.4	21.3	11.7
Residential Furniture/Equip.	U405	49.0	23.8	72.8		
Trans/Freight - Code 311	U406	12.3	0.0	12.3		
Security Guard Services	U407	0.0	19.7	19.7		
Official Residence Allowance	U408	0.0	1.0	1.0		
Representation Allowance	U409	1.0	0.0	1.0		

TABLE VIII
Continued FY 1988
(\$000)

<u>Expense Category</u>	<u>Func Code</u>	<u>Dollars</u>	<u>Trust Funds</u>	<u>Total</u>	<u>Units</u>	<u>Unit Cost</u>
<u>Office Operations</u>	U500	<u>282.2</u>	<u>533.6</u>	<u>815.8</u>		
Office Rent	U501	0.0	132.8	132.8		
Office Utilities	U502	0.0	21.1	21.1		
Building Maint/Renovation	U503	0.0	54.7	54.7		
Office Furniture/Equipment	U504	78.6	2.0	80.6		
Vehicles	U505	38.0	0.0	38.0	1.8	21.1
Other Equipment	U506	0.8	0.0	0.8		
Transportation/Freight	U507	29.4	0.0	29.4		
Furn/Equip/Veh Repair/Maint	U508	19.2	0.0	19.2		
Communications	U509	0.0	88.4	88.4		
Security Guard Services	U510	0.0	97.8	97.8		
Printing	U511	0.0	38.8	38.8		
Site Visits - Mission	U513	0.0	9.0	9.0	44.0	0.2
Site Visits - AID/W	U514	25.0	0.0	25.0	22.0	1.1
Information Meetings	U515	30.0	0.0	30.0	20.0	1.5
Training Attendance	U516	6.0	6.0	12.0	8.0	1.5
Conference Attendance	U517	16.0	0.0	16.0	28.0	0.6
Other Operational Travel	U518	8.0	0.0	8.0	4.0	2.0
Supplies & Materials	U519	0.0	56.0	56.0		
FAAS	U520	19.2	0.0	19.2		
Contract Consulting Services	U521	0.0	0.0	0.0		
Contract Mgt/Prof. Services	U522	12.0	27.0	39.0		
Special Studies/Analyses	U523	0.0	0.0	0.0		
All Other Code 25	U524	0.0	0.0	0.0		
TOTAL OPERATING EXPENSE BUDGET		<u>2709.4</u>	<u>2250.0</u>	<u>4959.4</u>		
Reconciliation		1614.8	0.0	1614.8		
Operating Budget Requirements		0.0	0.0	0.0		
636 (c) Requirements	U601	0.0	0.0	0.0		
TOTAL ALLOWANCE REQUIREMENTS	U000	<u>1094.6</u>	<u>2250.0</u>	<u>3344.6</u>		

OTHER INFORMATION

Dollar Requirement for Local Currency Purchases	<u>0</u>
Exchange Rate Used (Average rate for FY 86/87)	<u>2.6</u>
Estimated Inflation Rate	<u>20%</u>

Organization USAID/Guatemala
 Budget Plan Code COEA FY 89

TABLE VIII
 (\$000)

<u>Trust</u>	<u>Func.</u>	<u>Dollars</u>	<u>Funds</u>	<u>Total</u>		
<u>Expense Category</u>	<u>Unit</u>					
<u>Units</u>	<u>Code</u>					
<u>Cost</u>						
<u>U.S. Direct Hire</u>	U100	2,334.1	154.0	2,488.1	30.0	53.5
U.S. Full time Basic Pay	U101	1,606.1		1,606.1	30.0	53.3
U.S. Part time Basic Pay	U102	0.0		0.0		
Differential Pay	U103	240.9		240.9		
Other AID/W Funded Code 11	U104	9.4		9.4		
Other Mission Funded Code 11	U105	0.0	0.0	0.0		
Education Allowances	U106	0.0	96.0	96.0	49.0	2.0
Retirement	U107	112.4		112.4		
Cost of Living Allowances	U108	0.0	0.0	0.0		
Other AID/W Funded Code 12	U109	60.3		60.3		
Other Mission Funded Code 12	U110	12.5	58.0	70.5		
Post Assignment Travel	U111	40.0	0.0	40.0	5.0	8.0
Post Assignment Freight	U112	120.0	0.0	120.0	5.0	24.0
Home Leave Travel	U113	52.0	0.0	52.0	32.0	1.6
Home Leave Freight	U114	48.0	0.0	48.0	32.0	1.5
Education Travel	U115	3.9	0.0	3.9	6.0	0.7
R&R Travel	U116	19.6	0.0	19.6	11.0	1.8
Other Code 215 Travel	U117	9.0	0.0	9.0	6.0	1.5
<u>Foreign National Direct Hire</u>	U200	0.0	635.7	635.7		
F.N. Basic Pay	U201	0.0	542.4	542.4	41.0	13.2
Overtime/Holiday Pay	U202	0.0	19.0	19.0	2.0	9.5
All Other Code 11-F.N.	U203	0.0	6.0	6.0		
All Other Code 12-F.N.	U204	0.0	67.3	67.3		
Benefits - Former F.N. Pers.	U205	0.0	1.0	1.0		
<u>Contract Personnel</u>	U300	520.0	890.4	1,410.4		
PASA Technicians	U301	0.0	0.0	0.0		
U.S. PSC Salaries/Benefits	U302	520.0	0.0	520.0	9.0	57.8
All Other U.S. PSC Costs	U303	0.0	0.0	0.0		
F.N. PSC Salaries/Benefits	U304	0.0	726.6	726.6	76.0	9.6
All Other F.N. PSC Costs	U305	0.0	36.8	36.8		
Manpower Contracts	U306	0.0	127.0	127.0		
JCC Costs Paid by AID/W	U307	0.0	0.0	0.0		
<u>Housing</u>	U400	91.4	368.3	459.7		
Residential Rent	U401	0.0	24.9	24.9	1.0	24.9
Residential Utilities	U402	0.0	3.0	3.0		
Maintenance & Renovation	U403	0.0	1.0	1.0		
Quarters Allowances	U404	0.0	315.8	315.8	26.1	12.1
Residential Furniture/Equip.	U405	71.5	0.0	71.5		
Trans/Freight - Code 311	U406	17.9	0.0	17.9		
Security Guard Services	U407	0.0	23.6	23.6		
Official Residence Allowance	U408	1.0	0.0	1.0		
Representation Allowance	U409	1.0	0.0	1.0		

TABLE VIII
Continued FY 1989
(\$000)

<u>Expense Category</u>	<u>Func Code</u>	<u>Dollars</u>	<u>Trust Funds</u>	<u>Total</u>	<u>Units</u>	<u>Unit Cost</u>
<u>Office Operations</u>	U500	<u>250.1</u>	<u>615.2</u>	<u>865.3</u>		
Office Rent	U501	0.0	132.8	132.8		
Office Utilities	U502	0.0	25.3	25.3		
Building Maint/Renovation	U503	0.0	65.6	65.6		
Office Furniture/Equipment	U504	34.3	0.0	34.3		
Vehicles	U505	30.4	0.0	30.4	1.8	16.9
Other Equipment	U506	16.8	0.0	16.8		
Transportation/Freight	U507	20.4	0.0	20.4		
Furn/Equip/Veh Repair/Maint	U508	0.0	22.5	22.5		
Communications	U509	0.0	106.1	106.1		
Security Guard Services	U510	0.0	117.4	117.4		
Printing	U511	0.0	46.5	46.5		
Site Visits - Mission	U513	0.0	9.0	9.0	44.0	0.2
Site Visits - AID/W	U514	25.0	0.0	25.0	22.0	1.1
Information Meetings	U515	30.0	0.0	30.0	20.0	1.5
Training Attendance	U516	6.0	6.0	12.0	8.0	1.5
Conference Attendance	U517	16.0	0.0	16.0	28.0	0.6
Other Operational Travel	U518	8.0	0.0	8.0	4.0	2.0
Supplies & Materials	U519	0.0	84.0	84.0		
FAAS	U520	19.2	0.0	19.2		
Contract Consulting Services	U521	0.0	0.0	0.0		
Contract Mgt/Prof. Services	U522	44.0	0.0	44.0		
Special Studies/Analyses	U523	0.0	0.0	0.0		
All Other Code 25	U524	0.0	0.0	0.0		
TOTAL OPERATING EXPENSE BUDGET		<u>3,195.6</u>	<u>2,673.6</u>	<u>5,859.2</u>		
Reconciliation		<u>2,048.3</u>	0.0	<u>2,048.3</u>		
Operating Budget Requirements		<u>1,147.3</u>	<u>2663.6</u>	<u>3,810.9</u>		
636 (c) Requirements	U601	0.0	0.0	0.0		
TOTAL ALLOWANCE REQUIREMENTS	U000	<u>1,147.3</u>	<u>2663.6</u>	<u>3810.9</u>		

OTHER INFORMATION

Dollar Requirements for Local Currency Purchases
Exchange Rate Used (Average rate for FY 86/87)
Estimated Inflation Rate

0
<u>2.6</u>
<u>20%</u>

Organization: USAID/GUATEMALA

TABLE VIII (b)

INFORMATION ON U.S. PSC COSTS

<u>Job Title/Description</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Executive Assistant	15.4	17.0	19.0
General Services Officer	30.0	33.0	36.0
Economist	0.0	33.0	35.0
Data Coordinator	14.7	16.0	17.0
Education Advisor	0.0	76.6	120.0
Private Sector Dev Advisor	120.0	110.0	0.0
Private Sector Dev Specialist	18.6	20.0	22.0
Project Development Officer	120.0	110.0	120.0
Project Manager FFP/PVO	120.0	110.0	120.0
Agricultural Advisor	120.0	110.0	0.0

Organization: USAID/GUATEMALA

TABLE VIII(c)
All Other Code 25 Detail

<u>Description</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
	0.00	0.00	0.00

Organization: USAID/GUATEMALA

TABLE VIII (d)

Manpower Contract Detail

<u>Job Title/Description</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Consultoria y Servicios Empresariales			
Provides drivers (16), messengers(3) janitors (7) gardeners (2) for both USAID and ROCAP			
USAID share of cost (76%)	\$161	\$115	\$127

TABLE VIII(e)
OBLIGATIONS FOR ACQUISITION, OPERATION
AND USE OF INFORMATION TECHNOLOGY SYSTEMS
(\$000)

<u>ITEM AND EXPLANATION</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 198</u>
1. <u>Capital Investment:</u>			
A. Purchase of Hardware As detailed below	98,000	91,000	33,00
FY 87 - 6 workstations, 6 PCs, a VS-65 for Annex Building and 4 printers.			
FY 88 - 6 workstations, 6 PCs, Memory and Storage upgrade for VS-100, 1 Bus adaptor, 1 serial IOP, 4 printers .			
FY 89 - 4 workstations, 2 PCs, 4 printers.			
B. Purchase of Software	6,000	2,000	2,000
C. Site Facility			
SUBTOTAL Section 1	<u>104,000</u>	<u>93,000</u>	<u>35,000</u>
2. <u>Personnel:</u>			
A. Compensation, Benefits and Travel	32,000	38,000	40,000
B. Workyears	2.25	3	3
3. <u>Equipment Rental, Space and Other Operating Costs:</u>			
A. Lease of Equipment	-	-	-
B. Space	1,600	2,500	2,500
C. Supplies and Other Material	1,500	1,750	2,000
D. Non-Commercial Training	-	-	-
SUBTOTAL Section 3	<u>3,100</u>	<u>4,250</u>	<u>4,500</u>

Note: These figures are the combined budget for the USAID/Guatemala and Rocap Missions, currently these costs are shared as follows:

USAID 76%

ROCAP 24%

Organization _____

TABLE VIII(c)
(Continued)

<u>ITEM AND EXPLANATION</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
4. <u>Commercial Services:</u>			
A. Computer Time	-	-	-
B. Leased Telecommunications Services	2,000	2,500	3,000
C. Operations and Maintenance			
(1) Operations	-	-	-
(2) Maintenance:			
Other than WANG equipment	3,600	3,800	4,000
WANG equipment (Local maintenance)	-	20,600	20,000
WANG equipment (A.I.D./W maintenance)	15,400	-	-
D. <u>Systems Analysis and Programming:</u>	-	-	-
E. <u>System Design and Engineering</u>	-	-	-
F. <u>Studies and Other</u>	-	-	-
SUBTOTAL Section 4	<u>21,600</u>	<u>26,900</u>	<u>27,000</u>
5. TOTAL DOLLARS	<u>160,700</u>	<u>162,150</u>	<u>106,500</u>
TOTAL WORKYEARS (From item 2A)	<u>2.25</u>	<u>3</u>	<u>3</u>
6. <u>MISSION ALLOWANCE LEVELS:</u>			
A. Existing systems	_____	_____	_____
B. New or expanded systems	_____	_____	_____

Organization USAID/ROCAP*

TABLE VIII(E) - 1
TABLE VIII(E)1
Report on Motor Vehicle Operations

<u>ITEM AND EXPLANATION</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
A. <u>Numbers of Vehicles:</u>			
1. <u>Purchased Vehicles:</u>			
(a) Number of vehicles on-hand at start of year	24	24	24
(b) Plus Number of vehicles to be purchased during the year	3	3	3
(c) Less Number of vehicles to be disposed of during the year	3	3	3
(d) Number of vehicles on hand end of year	<u>24</u>	<u>24</u>	<u>24</u>
	*****	*****	*****
2. <u>Leased Vehicles:</u>			
Average number of leased vehicles in use during year	-	-	-
B. <u>Estimated Obligations:</u>			
1. Vehicle Purchases (See comments)	46,000	50,000	40,000
2. Special modifications (such as armor plating)	-	-	-
3. Transportation of purchased vehicles	10,000	15,000	15,000
4. Vehicle Leases	-	-	-
5. Vehicle Maintenance/Repairs	4,000	4,500	4,800
6. Salaries/Benefits of Drivers/Dispatchers	88,000	96,000	100,000
7. Supplies/Materials/Gas/Oil	14,000	15,000	16,000
8. Rental of Warehouse/Garage space	7,100	8,000	8,000
9. Other Miscellaneous Costs	2,000	2,000	2,000
10. Total Obligations	<u>171,100</u>	<u>190,500</u>	<u>185,800</u>
	*****	*****	*****
C. <u>Estimated Disbursements:</u>			
1. Vehicle Purchases	46,000	50,000	40,000
2. Special modifications (such as armor plating)	-	-	-
3. Transportation of purchased vehicles	10,000	15,000	15,000
4. Vehicle Leases	-	-	-
5. Vehicle Maintenance/Repairs	4,000	4,500	4,800
6. Salaries/Benefits of Drivers/Dispatchers	88,000	96,000	100,000
7. Supplies/Materials/Gas/Oil	14,000	15,000	16,000
8. Rental of Warehouse/Garage space	7,100	8,000	8,000
9. Other Miscellaneous Costs	2,000	2,000	2,000
10. Total Obligations	<u>171,100</u>	<u>190,500</u>	<u>185,800</u>
	*****	*****	*****
D. Vehicles included in (A) above owned by A.I.D. but operated/maintained by JAO/Embassy motor pool:			
(1) On-hand at start of year			
(2) To be purchased during the year			
(3) To be disposed of during the year			
* Note: These figures are the combined budget for the USAID/Guatemala and Rocap Missions, currently these costs are shared as follows: USAID 76% - Rocap 24%.			

COMMENTS ON TABLE VII (7) 1

Vehicles scheduled for purchase in FY 1987 include one 5-ton truck with power gate, one 3/4 ton pick-up and one intermediate sedan. FY 1988 vehicle purchase are two nine-passenger suburbans with 4 WD and one intermediate sedan. Vehicles scheduled for FY 1989 purchase include one suburban with 4 WD and two intermediate, all of these vehicles are programmed as replacements for existing vehicle. No additions to the fleet size are anticipated.

Country/Office: Guatemala

FY 1989 ANNUAL BUDGET SUBMISSION

TABLE XI

P.L. 480, TITLE I/III REQUIREMENTS

(Dollars in Millions, Tonnage in Thousands)

<u>Commodities</u>	<u>Actual</u> <u>FY 1987</u>		<u>Estimated</u> <u>FY 1988</u>		<u>Projected</u> <u>FY 1989</u>	
	<u>\$</u>	<u>MT</u>	<u>\$</u>	<u>MT</u>	<u>\$</u>	<u>MT</u>
<u>Title I</u>						
VegOil	4.0	10.0	3.0	12.0	4.0	10.0
Wheat	<u>14.0</u>	<u>115.0</u>	<u>15.0</u>	<u>121.0</u>	<u>16.0</u>	<u>126.0</u>
<u>TOTAL</u>	<u>18.0</u>	<u>125.0</u>	<u>18.0</u>	<u>133.0</u>	<u>20.0</u>	<u>136.0</u>
<u>of which</u> <u>Title III</u>	--	--	--	--	--	--
<u>TOTAL</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>

COMMENT:

FY 1989 ANNUAL BUDGET SUBMISSION

TABLE XIII

P.L. 480, TITLE II

COUNTRY: Guatemala

SPONSOR'S NAME: CARE
FY 1987

A. <u>MATERNAL AND CHILD HEALTH</u>		TOTAL RECIPIENTS		<u>270.0</u>
No. of Recipients by Commodity (000)	<u>Name of Commodity</u>	(Thousands)		
		<u>KGS</u>	<u>Dollars</u>	
270.0	SF Bulgur	4,220	801.8	
270.0	Cornmeal	4,093	753.1	
270.0	NFDM	3,386	372.5	
270.0	VegOil	1,401	1,137.6	
TOTAL MCH		<u>13,100</u>	<u>3,065.0</u>	
B. <u>OTHER CHILD FEEDING</u>		TOTAL RECIPIENTS		<u>16.5</u>
No. of Recipients by Commodity (000)	<u>Name of Commodity</u>	(Thousands)		
		<u>KGS</u>	<u>Dollars</u>	
16.5	SF Bulgur	233	44.3	
16.5	Cornmeal	233	42.9	
16.5	NFDM	233	25.6	
16.5	VegOil	78	63.3	
TOTAL OTHER CHILD FEEDING		<u>777</u>	<u>176.1</u>	
C. <u>FOOD FOR WORK</u>		TOTAL RECIPIENTS		<u>12.5</u>
No. of Recipients by Commodity (000)	<u>Name of Commodity</u>	(Thousands)		
		<u>KGS</u>	<u>Dollars</u>	
12.5	Cornmeal	109	20.1	
12.5	VegOil	27	21.9	
12.5	Whole Grain Corn	108	12.3	
12.5	Wheat Flour	119	22.3	
12.5	Beans (Pinto or Red)	110	57.8	
SUBTOTAL FOOD FOR WORK		<u>473</u>	<u>134.4</u>	

(Cont. FY 1989 TABLE XIII CARE)

<u>EMERGENCY FOOD FOR WORK</u>		<u>TOTAL RECIPIENTS</u> <u>154.5</u>	
<u>No. of Recipients by Commodity (000)</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
154.5	Corn	1,200.2	136.8
154.5	Rice	1,800.2	540.2
154.5	Beans	600.1	330.1
<u>SUBTOTAL EMERGENCY FOOD FOR WORK</u>		<u>3,600.5</u>	<u>1,007.1</u>
<u>TOTAL FOOD FOR WORK</u>		<u>4,073.5</u>	<u>1,141.5</u>
<u>TOTALS (In 000s)</u>			
<u>No. of Recipients</u> <u>453.5</u>	<u>MT's</u> <u>17.9</u>	<u>Dollars</u> <u>4,517.0</u>	

FY 1989 ANNUAL BUDGET SUBMISSION

TABLE XIII

P.L. 480, TITLE II

COUNTRY: Guatemala

SPONSOR'S NAME: CARE

FY 1988

A. MATERNAL AND CHILD HEALTH TOTAL RECIPIENTS 270.0

<u>No. of Recipients by Commodity (000)</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
270.0	SF Bulgur	4,407	854.9
270.0	Cornmeal	4,407	691.9
270.0	NFDM	4,407	484.7
270.0	VegOil	1,458	957.9
TOTAL MCH		<u>14,679</u>	<u>2,989.4</u>

B. OTHER CHILD FEEDING TOTAL RECIPIENTS 16.5

<u>No. of Recipients by Commodity (000)</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
16.5	SF Bulgur	269	52.2
16.5	Cornmeal	269	42.2
16.5	NFDM	269	29.6
16.5	VegOil	89	58.5
TOTAL OTHER CHILD FEEDING		<u>896</u>	<u>182.5</u>

C. FOOD FOR WORK TOTAL RECIPIENTS 23.0

<u>No. of Recipients by Commodity (000)</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
23.0	VegOil	31	20.4
23.0	Whole Grain Corn	250	22.8
23.0	Wheat Flour	250	43.0
23.0	Beans (Pinto or Red)	426	198.5
23.0	Rice	125	22.5
TOTAL FOOD FOR WORK		<u>1,082</u>	<u>307.2</u>

TOTALS (In 000s)

No. of Recipients 309.5 MT's 16.7 Dollars 3,479.1

FY 1989 ANNUAL BUDGET SUBMISSION

TABLE XIII

P.L. 480, TITLE II

COUNTRY: Guatemala

SPONSOR'S NAME: CARE

FY 1989

A. MATERNAL AND CHILD HEALTH TOTAL RECIPIENTS 297.0

<u>No. of Recipients by Commodity (000)</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
297.0	SF Bulgur	4,448	862.9
297.0	Cornmeal	4,448	698.3
297.0	NFDM	4,448	489.3
297.0	VegOil	<u>1,604</u>	<u>1,053.8</u>
TOTAL MCH		<u>14,948</u>	<u>3,104.3</u>

B. OTHER CHILD FEEDING TOTAL RECIPIENTS 18.1

<u>No. of Recipients by Commodity (000)</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
18.1	SF Bulgur	296	57.4
18.1	Cornmeal	296	46.5
18.1	NFDM	296	32.6
18.1	VegOil	<u>97</u>	<u>63.7</u>
TOTAL OTHER CHILD FEEDING		<u>985</u>	<u>200.2</u>

C. FOOD FOR WORK TOTAL RECIPIENTS 25.3

<u>No. of Recipients by Commodity (000)</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
25.3	VegOil	34	22.3
25.3	Whole Grain Corn	275	25.0
25.3	Wheat Flour	275	47.3
25.3	Beans (Pinto or Red)	275	128.2
25.3	Rice	<u>137</u>	<u>24.6</u>
TOTAL FOOD FOR WORK		<u>996</u>	<u>247.4</u>

(Cont. CARE FY 1989 TABLE XIII)

D. OTHER (Specify)

Urban and Marginal Areas
Environmental Improvement

TOTAL RECIPIENTS 77.3

<u>No. of Recipients by Commodity (000)</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
77.3	Corn	600	54.6
77.3	Rice	900	161.6
77.3	Beans (Pinto or Red)	300	139.8
TOTAL FOR OTHER		<u>1,800</u>	<u>356.0</u>

TOTALS (In 000s) *

No. of Recipients 417.7 MT's 18.7 Dollars 3,907.9

* Total commodities reflect PVO request which are lower than APPL.

FY 1989 ANNUAL BUDGET SUBMISSION

TABLE XIII

P.L. 480, TITLE II

COUNTRY: Guatemala

SPONSOR'S NAME: CRS

FY 1987

A. MATERNAL AND CHILD HEALTH TOTAL RECIPIENTS 68.0

<u>No. of Recipients by Commodity (000)</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
68.0	SF Bulgur	370	70.3
68.0	Yellow Corn	916	104.4
68.0	NFDM	916	100.8
68.0	VegOil	370	300.4
68.0	Wheat Flour	370	69.2
TOTAL MCH		<u>2,942</u>	<u>645.1</u>

B. OTHER CHILD FEEDING TOTAL RECIPIENTS 3.6

<u>No. of Recipients by Commodity (000)</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
3.6	SF Bulgur	39	7.4
3.6	Yellow Corn	78	8.9
3.6	NFDM	78	8.6
3.6	VegOil	20	16.2
3.6	Wheat Flour	39	7.3
TOTAL OTHER CHILD FEEDING		<u>254</u>	<u>48.4</u>

C. FOOD FOR WORK TOTAL RECIPIENTS 12.0

<u>No. of Recipients by Commodity (000)</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
12.0	SF Bulgur	131	24.9
12.0	Yellow Corn	261	29.8
12.0	VegOil	33	26.8
12.0	Wheat Flour	261	48.8
TOTAL FOOD FOR WORK		<u>686</u>	<u>130.3</u>

TOTALS (In 000s)

No. of Recipients 83.6 MT's 3.9 Dollars 823.8

FY 1989 ANNUAL BUDGET SUBMISSION

TABLE XIII

P.L. 480, TITLE II

COUNTRY: Guatemala

SPONSOR'S NAME: CRS

FY 1988

A. MATERNAL AND CHILD HEALTH TOTAL RECIPIENTS 68.0

<u>No. of Recipients by Commodity (000)</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
68.0	SF Bulgur	370	71.8
68.0	Yellow Corn	850	77.4
68.0	NFDM	850	93.5
68.0	VegOil	370	243.1
68.0	Wheat Flour	370	63.6

TOTAL MCH 2,810 549.4

B. OTHER CHILD FEEDING TOTAL RECIPIENTS 3.6

<u>No. of Recipients by Commodity (000)</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
3.6	SF Bulgur	39	7.6
3.6	Yellow Corn	78	7.1
3.6	NFDM	78	8.6
3.6	VegOil	20	13.1
3.6	Wheat Flour	39	6.7

TOTAL OTHER CHILD FEEDING 254 43.1

C. FOOD FOR WORK TOTAL RECIPIENTS 12.0

<u>No. of Recipients by Commodity (000)</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
12.0	SF Bulgur	131	25.4
12.0	Yellow Corn	261	23.8
12.0	VegOil	33	21.7
12.0	Wheat Flour	261	44.9

TOTAL FOOD FOR WORK 686 115.8

TOTALS (In 000s)

No. of Recipients 83.6 MT's 3.8 Dollars 708.3

FY 1989 ANNUAL BUDGET SUBMISSION

TABLE XIII

P.L. 480, TITLE II

COUNTRY: Guatemala

SPONSOR'S NAME: CRS

FY 1989

A. MATERNAL AND CHILD HEALTH TOTAL RECIPIENTS 68.0

<u>No. of Recipients by Commodity (000)</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
68.0	SF Bulgur	370	71.8
68.0	Yellow Corn	850	77.4
68.0	NFDM	850	93.5
68.0	VegOil	370	243.1
68.0	Wheat Flour	370	63.6
TOTAL MCH		<u>2,810</u>	<u>549.4</u>

B. OTHER CHILD FEEDING TOTAL RECIPIENTS 3.6

<u>No. of Recipients by Commodity (000)</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
3.6	SF Bulgur	39	7.6
3.6	Yellow Corn	78	7.1
3.6	NFDM	78	8.6
3.6	VegOil	20	13.1
3.6	Wheat Flour	39	6.7
TOTAL OTHER CHILD FEEDING		<u>254</u>	<u>43.1</u>

C. FOOD FOR WORK TOTAL RECIPIENTS 12.0

<u>No. of Recipients by Commodity (000)</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
12.0	SF Bulgur	131	25.4
12.0	Yellow Corn	261	23.8
12.0	VegOil	33	21.7
12.0	Wheat Flour	261	44.9
TOTAL FOOD FOR WORK		<u>686</u>	<u>115.8</u>

TOTALS (In 000s) *

No. of Recipients 83.6 MT's 3.8 Dollars 708.3

* Total commodities reflect PVO request which are lower than APPL.

MISSION PRIVATIZATION PLAN

A. The Parastatal Sector in Guatemala

By international standards, the nonfinancial parastatal sector in Guatemala is small. Since the list of parastatals is short, they can be mentioned by name here (in descending order by gross expenditures): electric company (INDE), telephone company (GUATEL), Santo Tomas Port, national airline (AVIATECA), water company (EMPAGUA), railroad (FEGUA), grain marketing board (INDECA), dairy (PROLAC), Champerico port, wheat processing and storage (GNT) and export processing zone (ZOLIC). Most of the public enterprises are small. The bottom four on the list had total expenditures of less than Q1.5 million each in 1985.

An additional port facility, Puerto Quetzal, is under construction. When Puerto Quetzal and its access road are completed, it will be administered as a public enterprise in the same fashion as the other public port facilities. FLOMERCA, a small merchant marine (which has no boats), is also considered a parastatal, even though its expenditures are budgeted under the Ministry of Transportation. The FLOMERCA financial data are not included in the aggregate statistics just given.

In 1985, the most recent year for which complete data are available, expenditures by nonfinancial public enterprises amounted to 1.65 percent of GDP. Financially, the sector generated a small surplus equalling about 0.51 percent of GDP, but received a transfer from the Central Government for capital expenditures of about 0.72 percent of GDP. There were virtually no transfers from the Central Government to the parastatals for operating expenses. Only ZOLIC and EMPAGUA received such transfers. Of the list of public enterprises, five could not cover their operating expenses with current revenues and transfers. These were: INDECA, GNT, Champerico Port, FEGUA and ZOLIC.

While final data are not yet available for 1986, Guatemalan sources indicate that most of the major nonfinancial parastatals (including the electric, water and telephone companies, and the national airline) generated profits. Of the larger parastatals, only the national railroad is expected to have shown a deficit for 1986.

Several public banks, including CORFINA (industrial development), BANDESA (agricultural development) and BANVI (housing) comprise the financial public enterprises. The Mission is actively engaged in improving the efficiency of BANDESA and is pushing for more market-oriented lending policies for the group as part of the macroeconomic and sectoral policy dialogue. However, the privatization of these institutions is not contemplated at present.

BANDESA and BANVI primarily serve very low income clients for which the private sector is unwilling or unable to provide services. CORFINA is virtually defunct, saddled with an enormous debt for one white elephant pulp mill project that was financed by the Spanish Government. The Guatemalan government is negotiating with Spain to find a solution to the problem. In the near term, it would be inappropriate for USAID/Guatemala to become involved.

Although small, the parastatal sector impedes economic growth in several important areas. The exchange subsidy given the sector for external debt service payment generates Central Bank losses which have been a source of monetization and inflationary pressure in the economy. For example, the individual financial pictures of the nonfinancial parastatals with external debt (of which the bulk belong to INDE, while lesser amounts are owed by GUATEL and EMPAGUA) will worsen when this subsidy is eliminated late in CY 1987. These utilities will be forced to raise their rates in order to compensate. For the electric company, this issue is particularly sensitive. The private sector charges that the electric company operated with unduly high costs (there is empirical support for this charge), and resists absorbing a rate increase without commensurate increases in efficiency.

Moreover, the concentration of parastatals in the transport sector has been a distimulus to exports. The previous privatization plan cited a need for an open seas and skies policy, and investigation of infrastructural and operational problems at the ports. The export processing zone still requires a fiscal subsidy to operate.

B. Mission Privatization Activities and Accomplishments During FY 1987

Given the small size of the sector and the small number of parastatals, the AID-wide goal of an average of two full privatizations per year per Mission is not realistic for Guatemala.

However, the Mission has made this sector a target for attention under both the ESF policy dialogue and the private sector strategy. Accomplishments to date this fiscal year under this two-pronged approach are as follows:

ESF Policy Dialogue

The following actions and commitments were made by the Guatemalan government supported by the FY 1987 ESF program:

-- Commitment to privatize FLOMERCA by the end of CY 1987, either through liquidation or divestiture.

-- Initiation of studies of the impact of unification of the exchange rate on the financial balance sheet of the major parastatals.

-- Actions toward a free seas and skies policy, including opening of Guatemala's air routes to a larger number of carriers and establishment of a commission within the National Export Council to draft new civil aviation laws.

Private Sector Initiative

-- Finalization of a study of the parastatal sector through a contract with Keene-Monk.

-- Initiation of studies to prepare a privatization plan for GUATEL (telephone company), through which a portion of its operations would be privatized.

-- Activities to change the legal framework to end the public sector monopoly over export processing zone facilities, and to provide financial and technical support to private investment in competing facilities.

-- Cooperation with ROCAP-supported research on regional transportation to determine key transport constraints.

These activities have been strengthened by the strong private sector concern over the privatization issue and the Guatemalan government's commitment to be responsive to this concern.

C. USAID/Guatemala Privatization Strategy for FY 1988 and 1989

The Mission plans to continue its collaboration with the Government of Guatemala and the Guatemalan private sector in identifying and supporting further targets of opportunity in

the privatization area. Activities planned for the FY 1988-89 period are:

-- Through the ESF policy dialogue, pursue completion and introduction to Congress of draft legislation for (1) free skies (civil aviation law); and, (2) allow private sector competition for the public export processing zone. Also pursue question of landing fees charged by state airline to private carriers. (FY 88-89)

-- Also through the ESF policy dialogue, support maintenance of public utility rates at market-oriented levels. (FY 88-89)

-- Identify constraints to export which result from public management of port facilities, and seek to privatize portions of port operations in order to eliminate these constraints. (FY 88-89)

-- In DA-funded activities in road construction and other infrastructure, study of options for contracting maintenance and construction with the private sector. (FY 88-89)

-- Under FY 1987 Private Enterprise Development (PED) project, fund studies to identify additional privatization activities in the area of transport. (FY 89)

-- Based on recommendations of preliminary study on telecommunications, provide financial and/or technical assistance to privatization of a portion of GUATEL's operations. (FY 88-89)

-- Under FY 1987 PED project, provide technical and/or financial assistance to investors in private sector export processing facilities. (FY 89)

In sum, USAID/Guatemala has established the following privatization targets for accomplishment by the end of FY 1989:

1. One full privatization (FLOMERCA).
2. At least one partial privatization (GUATEL and/or port facilities)
3. Increased use by public sector of contracts with private sector for construction and maintenance of infrastructure.
4. New legislation allowing free private sector competition to former public sector monopolies in the air transport and export processing areas.

5. At least two studies completed to identify further privatization activities.