

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT DATA SHEET	1. TRANSACTION CODE <input type="checkbox"/> A = Add <input type="checkbox"/> C = Change <input type="checkbox"/> D = Delete <input checked="" type="checkbox"/> A	Amendment Number _____ DOCUMENT CODE 3
2. COUNTRY/ENTITY WORLDWIDE	3. PROJECT NUMBER 936-5446	
4. BUREAU/OFFICE S&T/ RD/IDM	5. PROJECT TITLE (maximum 40 characters) Decentralization: Finance and Management	
6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 09 30 95	7. ESTIMATED DATE OF OBLIGATION (Under "B." below, enter 1, 2, 3, or 4) A. Initial FY <u>87</u> B. Quarter <u>4</u> C. Final FY <u>94</u>	

8. COSTS (\$000 OR EQUIVALENT \$1 =)						
A. FUNDING SOURCE	FIRST FY			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	270		270	4,600		4,600
(Grant)	(270)	()	(270)	(4,600)	()	(4,600)
(Loan)	()	()	()	()	()	()
Other U.S.				12,010		12,010
1. Buy-Ins						
2. _____						
Host Country						
Other Donor(s)						
TOTALS	270		270	16,610		16,610

9. SCHEDULE OF AID FUNDING (\$000)									
A. APPRO- PRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1)	103	289	040			3,000		3,000	
(2)	105	669	060			1,600		1,600	
(3)			030						
(4)			720						
TOTALS						4,600		4,600	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each) 960	11. SECONDARY PURPOSE CODE						
12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)							
A. Code	BR	RGEN	PART	DEL			
B. Amount							
13. PROJECT PURPOSE (maximum 480 characters) <div style="border: 1px solid black; padding: 10px; margin: 5px 0;"> Increased decentralized capacity to finance and manage the maintenance and repair of rural infrastructure. </div>							

14. SCHEDULED EVALUATIONS Interim MM YY MM YY Final MM YY 01 91 04 95	15. SOURCE/ORIGIN OF GOODS AND SERVICES <input type="checkbox"/> 000 <input type="checkbox"/> 941 <input type="checkbox"/> Local <input checked="" type="checkbox"/> Other (Specify) 935
16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page FP Amendment.)	

17. APPROVED BY	Signature: <i>Christopher H. Russell</i> Title: Christopher H. Russell Agency Director, S&T/HR Date Signed: MM DD YY 05 20 87	18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION MM DD YY 02 03 87
------------------------	---	--

PROJECT AUTHORIZATION FOR FUNDING

Name of Country/Entity: Worldwide

Project Title. Decentralization: Finance and Management

Project Number: 936-5446

1. Pursuant to Sections 103 and 105 of the Foreign Assistance Act of 1961 as amended, I hereby authorize the centrally funded Decentralization: Finance and Management project, involving planned obligations by the S&T Bureau of not to exceed \$4,600,000 in grant funds (\$3,000,000 from the Agriculture, Rural Development and Nutrition Account, and \$1,600,000 from the Education and Human Resources Account). The authorization extends from the date of signature to September 30, 1994 for obligations, and to September 30, 1995 for expenditures, subject to the availability of funds in accordance with the AID/OYR allotment process, to help finance foreign exchange and local currency costs for the project. It is expected that up to \$12,010,000 of additional USAID mission funds may be committed in support of this project.

2. The project will lay the groundwork in participating countries for more efficient and equitable decentralized provision and production of specific public goods and services, initially rural road and other infrastructure maintenance. To achieve this objective the project will strengthen reliance on market mechanisms and private sector firms, as well as economy and efficiency of government. It will seek empowerment of service users through measures enabling them to play a greater role in decisions about service types and levels. It will also stress the corresponding responsibility of people to pay equitably for economic benefits received. In addition to its work on the delivery of specific goods and services, the project will provide a means to support USAID missions in policy dialogue about host country cross-sectoral decentralization reforms.

3. Source and Origin of Goods and Services:

- a). Each developing country where training or other assistance takes place under this project shall be deemed to be a cooperating country for the purpose of permitting local cost financing.
- b). Commodities financed by A.I.D. shall have their source and origin in the cooperating country or the United States except as A.I.D. may otherwise agree in writing. Except for ocean shipping, the suppliers of commodities or services shall have the cooperating country or the United States as their place of

nationality, except as A.I.D. may otherwise agree in writing.

- c). Ocean shipping financed by A.I.D. under the project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.

Christopher H. Russell

Christopher H. Russell
Agency Director for Human Resources
Bureau for Science and Technology

5/20/87

Date

Clearances:	S&T/RD:RMcClusky	<i>BSW</i>	Date	<i>4/30/87</i>
	S&T/RD:EChetwynd	<i>EC</i>	Date	<i>4/30/87</i>
	S&T/PO:GGower	<i>Kerr fm</i>	Date	<i>5/18/87</i>
	GC/CP:Triedler	<i>TR</i>	Date	<i>4/29/87</i>

JH
S&T/RD:LHollis:SAY:4/13/87:W2296q, pp. 3-4

13

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

April 29, 1987

ACTION MEMORANDUM FOR THE AGENCY DIRECTOR FOR HUMAN RESOURCES,
BUREAU FOR SCIENCE AND TECHNOLOGY

FROM: S&T/RD, Eric Chetwynd, Jr. (Acting) *EC*

SUBJECT: Authorization of S&T/RD's Decentralization: Finance
and Management Project (Doc. no. 0004)

Problem: Your signature is required on the attached PAF to approve a new project, Decentralization: Finance and Management (DFM). This project is expected to obligate up to \$4.6 million of S&T funds and up to \$12.01 million of USAID funds from FYs 87-94; the PACD is 9/30/95.

Background: The DFM project will succeed the Local Revenue Generation and Administration project (936-5303), and build on its successful revenue systems research. DFM was approved by the Rural Development and Human Resources Sector Councils meeting in joint session on February 11, 1987. An advice of program change has been transmitted.

Discussion: The new project will focus on the decentralized provision of specific kinds of public services and means to pay for them. It will give special attention to rural roads, irrigation, and other rural infrastructure. It will help host countries and USAIDs determine what public services citizens prefer and what institutional and financial arrangements can provide them efficiently. These will include private and nongovernmental arrangements when appropriate. The DFM project will provide three services: a) applied research and long-term field teams; b) recurrent technical support and training, and c) R&D reports, dissemination, networking and coordination. The expected achievements of the project in A.I.D.-assisted countries will be increased and higher quality public services (i.e., roads and irrigation facilities) that contribute to economic growth and to people's incomes. The project will also use, field-test, record and disseminate new social science knowledge and methods to improve understanding and practice of decentralized provision and production of services that people need.

4

Total expected life-of-project funding will be \$16,610,000. Of this amount, USAID missions are expected to provide up to \$12,010,000; S&T plans inputs of \$4.6 million (this figure may include other AID/W inputs; ANE plans \$.05 million in FY 87). The project will be implemented by (a) a competitive contract expected to utilize \$4.035 million of S&T funds and \$.05 million of ANE funds (by direct PIO/T or OYB transfer), and up to \$12.01 million of USAID funds (funding from any USAID or AID/W entity may be used within the total contract ceiling of \$16.095 million); (b) a decentralization advisor under a cooperative agreement between the National Association of Schools of Public Affairs and Administration and ST/RD for R&D and field work during FYs 88 and 89 with planned S&T funding of \$100,000; and (c) other procurement of up to \$285,000 of S&T funds over the life of the project for evaluations, grants to LDC collaborating institutions, or other procurement; and (d) up to \$130,000 of S&T funds for contingencies (allocable to any of the project's procurement mechanisms). The first obligation will be in FY 1987 (\$270,000 S&T and \$50,000 ANE). The remainder of central and USAID funds are expected to be obligated during FYs 1988 through 1994. The estimated project assistance completion date is 9/30/95.

Recommendation: That you sign the accompanying PAF to indicate your approval of this project with a PACD of 9/30/95, of S&T obligations during FYs 87-94 of up to \$4.6 million, and of USAID buy-ins of up to \$12.01 million, for a total project authorization of \$16.61 million.

Clearances: S&T/RD:RMcClusky BSM Date: 4/30/87
 S&T/PO:GGower GGower Date: 5/1/87
 GC/CP:Triedler TR Date: 4/29/87
 ANE/DP:NNicholson (Phone) KKK Date: 5/12/87

LH KKK
 Draft:ST/RD:LHollis/KKornher:4/13/87; 4/28/87:W2296q

5