

UNCLASSIFIED

**Annual Budget
Submission**

FY 1989

KENYA

BEST AVAILABLE

June 1987



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

UNCLASSIFIED

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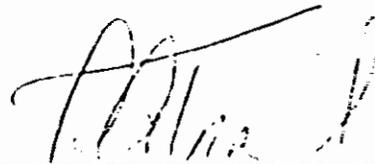
FY 1989 USAID/KENYA
Annual Budget Submission

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CHARGE D'AFFAIRES APPROVAL

I approve the program levels for fiscal years 1988 and 1989 for USAID/Kenya as presented in the FY 1989 Annual Budget Submission.



George Trail
Charge D'Affaires a.i.

Date: 5/27/87

FOREWARD

Retrospect

An action plan update reporting on progress toward attaining program targets is not due in this year's submission. The Mission, however, does wish to highlight several events which we think represent significant short term strides in moving toward our long term objectives.

A key accomplishment was the agreement reached with the Government of Kenya (GOK) on the programming of over \$29 million in local currency counterpart funds. In addition \$5 million in counterpart funds from a FY 1982 program, previously programmed for a loan guarantee fund, were programmed through the Kenya Commercial Bank as a further loan guarantee fund in support of small informal sector enterprises. The counterpart agreement for more than \$29 million was the first concluded since January, 1985 (see Local Currency plan for details).

During the past year the Mission participated in and partially financed the Africawide Enabling Environment Conference in Nairobi. The conference was an activity which we believe contributed to improving the policy climate that affects private business. The improvement of the enabling environment is one of USAID's strategic objectives to promote growth among Kenya's private businesses.

A further favorable private enterprise portend during the year was the purchase and distribution of wheat under the Title I program. Under the terms of the FY 1986 agreement, private sector firms were to have the first opportunity to purchase at dockside. When the various shipments arrived in Kenya late in 1986, private firms purchased all the wheat that was brought in under the program. The response of Kenyan entrepreneurs to the wheat purchase offering typifies the willingness of the business sector to expand its role in the economy, given the opportunity. Similarly, during the past year we have seen a growing consensus among both government and private sector officials that a free market importation and distribution system is the most economic approach for Kenya -- a viewpoint which both our Title I and our ESF fertilizer importation program have fostered over the past three years.

A major restructuring of the National Agricultural Research system took place during the past year. The restructuring, supported by USAID's National Agricultural Research project, will focus and institutionalize a national research system that heretofore has been fragmented and ineffective.

Immediate Future - New Starts

For FY 1988, the Mission plans no new starts. In FY 1989, with a reduced mortgage level, we plan one new start, Rural Marketing Sector Development. The project will meld two discreet but yet interdependent rural development components, grain marketing and market town local infrastructure development, towards the end of enhancing the role of the market and thus promoting economic growth and employment in rural areas in Kenya. The project will encompass the objectives of AID's strategies in the agriculture, private enterprise, and housing/urban development sectors.

A corollary to the promotion of rural marketing and market town development is the requirement for a faster pace of grain marketing liberalization. As an inducement to expanded and accelerated liberalization of grain marketing, USAID is proposing a Title II, Section 206 program for FY 1989. We are aware that the GOK is currently considering various options in grain market operations, prominent among which are a reduced role for the National Cereals and Produce Board (NCPB), the major marketing parastatal, and a corresponding increased role for the private sector to procure, store, and resell grain. With these options under active consideration by government, we believe it is a propitious time to offer a Section 206 program conditioned on annual benchmark policy reforms dealing with a free market for grains.

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FY 1989 ANNUAL BUDGET SUBMISSION
 TABLE 1: LONG RANGE PLAN BY APPROPRIATION ACCOUNT (0000)
 Country: KENYA

	FY 1986	FY 1987	FY 1988		FY 1989	PLANNING PERIOD			
	ACTUAL	ESTIMATE	CP	ESTIMATE	APPL	1990	1991	1992	1993
DEVELOPMENT ASSISTANCE									
Agriculture, Rural Development and Nutrition	14,009	7,850	0	0	0	0	0	0	0
Grants	12,285	7,850	0	0	0	0	0	0	0
Loans	1,724	0	0	0	0	0	0	0	0
Population	9,472	2,039	0	0	0	0	0	0	0
Grants	9,472	2,039	0	0	0	0	0	0	0
Loans	0	0	0	0	0	0	0	0	0
Health	2,499	2,500	0	0	0	0	0	0	0
Grants	2,499	2,500	0	0	0	0	0	0	0
Loans	0	0	0	0	0	0	0	0	0
Child Survival Fund	0	1,285	0	0	0	0	0	0	0
Grants	0	1,285	0	0	0	0	0	0	0
Loans	0	0	0	0	0	0	0	0	0
Education	315	0	0	0	0	0	0	0	0
Grants	315	0	0	0	0	0	0	0	0
Loans	0	0	0	0	0	0	0	0	0
Selected Development Activities	248	5,423	0	0	0	0	0	0	0
Grants	248	5,423	0	0	0	0	0	0	0
Loans	0	0	0	0	0	0	0	0	0
Development Fund for Africa	0	0	18,000	18,000	18,000	18,500	18,600	19,000	19,000
Grants	0	0	18,000	18,000	18,000	18,500	18,600	19,000	19,000
Loans	0	0	0	0	0	0	0	0	0
TOTAL DA ACCOUNTS	24,543	19,097	18,000	18,000	18,000	18,500	18,600	19,000	19,000
Grants	24,819	19,097	18,000	18,000	18,000	18,500	18,600	19,000	19,000
Loans	1,724	0	0	0	0	0	0	0	0
(Of which FVO)	7,420	878	2,000	672	3,000	1,800	850	500	500

	FY 1996	FY 1997	FY 1998		FY 1989	PLANNING PERIOD			
	ACTUAL	ESTIMATE	CP	ESTIMATE	APPL	1990	1991	1992	1993
ECONOMIC SUPPORT FUND -	14,442	15,000	17,000	17,000	17,000	17,281	17,531	17,741	17,954
Grants	14,442	15,000	17,000	17,000	17,000	17,281	17,531	17,741	17,954
Loans	0	0	0	0	0	0	0	0	0
TOTAL DA AND ESF	40,985	34,097	35,000	35,000	35,000	35,781	36,131	36,741	36,954
PL 480 (non-add)									
Title I	10,000	8,000	5,000	5,000	5,000	5,000			
Title II	2,668	3,200	2,480	2,490	4,040	4,040			
(Section 206)*					(10,000)*	(10,000)	(10,000)		
Housing Guaranties (non-add)	0	0	0	0	20,000	20,000	0	0	0
TOTAL PERSONNEL									
USPH (Work Years)	25	25	25	25	25	25	25	25	25
FNCH (Work Years)	22	22	22	22	22	22	22	22	22
IDI (Work Years)	0	1		2					

*Proposed

FROB:5/19/87

FY 1989 ANNUAL BUDGET SUBMISSION
 TABLE III - PROJECT OBLIGATIONS BY APPROPRIATION (\$000)
 COUNTRY: KENYA

TITLE	L/D	FY 1987 ACTUAL	FY 1988 ESTIMATE	FY 1989 ESTIMATE
AGRICULTURE, RURAL DEVELOPMENT & NUTRITION				
615-0220 Rural Private Enterprise	G	604	0	0
615-0229 National Agricultural Research	G	0	0	0
615-0234 Training for Development	G	1,350	0	0
615-0236 Kenya PVO Co-Financing	G	0	0	0
615-0238 Private Enterprise Development	G	4,396	0	0
615-0239 Institutional Development for Agricultural Training	G	1,000	0	0
615-0510 PD&S (ARDN)	G	500	0	0
		-----	-----	-----
Sub-total		7,850	0	0
POPULATION				
615-0232 Family Planning Services and Support	G	1,919	0	0
615-0510 PD&S (PCP)	G	120	0	0
		-----	-----	-----
Sub-total		2,039	0	0
HEALTH				
615-0232 Family Planning Services and Support	G	1,394	0	0
615-0234 Training for Development	G	941	0	0
615-0510 PD&S (HE)	G	165	0	0
		-----	-----	-----
Sub-total		2,500	0	0
CHILD SURVIVAL FUND				
615-0241 CORAT Child Survival	G	1,285	0	0
		-----	-----	-----
Sub-total		1,285	0	0
SELECTED DEVELOPMENT ACTIVITIES				
615-0234 Training for Development	G	1,263	0	0
	G	(223)*		
615-0238 Private Enterprise Development	G	4,000	0	0
615-0510 PD&S (SDA)	G	160	0	0
		-----	-----	-----
Sub-total		5,423	0	0

TITLE	L/O	FY 1987 ACTUAL	FY 1988 ESTIMATE	FY 1989 ESTIMATE
DEVELOPMENT FUND FOR AFRICA				
615-0220 Keral Private Enterprise	B	0	296	0
615-0229 National Agricultural Research	S	0	4,000	5,079
615-0232 Family Planning Services and Support	G	0	5,900	7,000
615-0234 Training for Development	B	0	3,451	1,121
615-0236 Kenya F&D Co-financing	B	0	672	0
615-0239 Private Enterprise Development	S	0	2,409	2,000
615-0239 Institutional Development for Agricultural Training	B	0	300	0
615-0242 Sector Program for Marketing Development	B	0	0	2,000
615-0510 PGWS (ASOH)	B	0	702	800
		-----	-----	-----
Sub-total		0	18,000	18,000
		-----	-----	-----
TOTAL DEVELOPMENT ASSISTANCE (DA)		19,097	18,000	18,000
		-----	-----	-----
ECONOMIC SUPPORT FUND (ESF)				
615-000A Local Support Cost - Kenya	B	505	0	0
615-0240 Structural Adjustment Assistance	B	14,495	17,000	17,000
		-----	-----	-----
Sub-total		15,000	17,000	17,000
		-----	-----	-----
TOTAL (DA AND ESF)		34,097	35,000	35,000
		-----	-----	-----

PROG:5/19/87

*Tech/Reob funds from Renewable Energy (615-0205)
and Maseno South Enterprise (615-0225)

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 FY 1989 ANNUAL BUDGET SUBMISSION
 TABLE IV - PROJECT BUDGET DATA
 BY FUNCTIONAL ACCOUNT

PROJECT NUMBER AND TITLE		BUREAU FOR AFRICA										SPECIAL ITEM		
L	DATE	DBLI	AUTH.	TOTAL COST--	ESTIMATED U.S. DOLLARS COST (\$000)--		FY 1987--		FY 1988--		APPL	PACD	CODE	NO.
					DBLI THRU FY 1986	PIPE LINES	DBLISA- TIONS	EXPENSI- TURES	MORTGAGE END OF FY 87	DBLISA- TIONS				
Development Fund for Africa														
615-0220		8 83	88	296	0	0	0	0	0	296	0	0	3/31/89	10816
615-0229		8 86	89	7,829	0	0	0	0	0	9,078	4,000	0	6/30/93	10839
615-0232		6 85	91	25,558	0	0	0	0	0	25,558	5,900	7,000	9/30/92	10800
615-0234		8 87	89	0	6,191	0	0	0	0	6,191	3,691	500	1,121	10701
615-0226		6 85	91	8,101	0	0	0	0	0	8,101	672	1,515	0	10772
615-0228		8 87	91	16,604	0	0	0	0	0	16,604	2,439	3,700	2,000	10750
615-0239		6 86	88	300	300	0	0	0	0	300	300	0	0	
615-0240		8 89	91	0	10,000	0	0	0	0	0	0	0	2,000	
615-0250		8 85	C	702	702	0	0	0	0	0	0	702	375	10801
Appropriation Total														
				59,390	75,581	0	0	0	0	66,128	18,000	6,050	18,000	
				59,390	75,581	0	0	0	0	66,128	18,000	6,750	18,000	
				0	0	0	0	0	0	0	0	0	0	
				0	0	0	0	0	0	0	0	0	0	
Financial Support Fund														
615-0213		6 83	85	76,000	76,000	0	0	0	0	0	0	0	0	9120
615-0246		6 26	88	12,937	74,030	14,442	13,091	14,495	14,374	45,063	17,000	13,605	17,000	9120
615-0008		8 87	87	505	505	0	0	505	505	0	0	0	0	10290
Appropriation Total														
				139,442	150,505	90,442	50,041	15,000	25,762	45,043	17,000	30,101	17,000	
				139,442	150,505	90,442	50,041	15,000	25,762	45,043	17,000	30,101	17,000	
				0	0	0	0	0	0	0	0	0	0	
				0	0	0	0	0	0	0	0	0	0	
Country Total				392,273	422,335	248,341	127,771	34,097	63,902	111,191	35,000	60,014	35,000	
Grant				322,149	352,211	198,217	96,507	34,097	47,010	111,191	35,000	52,814	35,000	
Loan				70,124	70,124	70,124	31,264	0	16,892	0	0	7,200	0	

* Represents Debit/Credit figures
 PROJ: 5/19/87

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

APPROPRIATION ACCOUNT PROJECT NO. TITLE	L/G	LIFE OF PROJECT	FY 87 ESTIMATE	FY 88 ESTIMATE	FY 89 AAPL
(\$000)					
<u>Agriculture, Rural Development and Nutrition</u>					
615-0172 Arid and Semi-Arid Lands	G	10,900	1,500 1,000*	370 1,000*	0 1,200*
615-0229 National Agricultural Research	G	15,250	0	350	200
<u>Selected Development Activities</u>					
615-0205 Renewable Energy	G	4,800	150 0	0 2,000*	0 0

*Counterpart currency support

4705K

Natural Resources

Title:

- Renewable Energy Development Project No. 615-0205.

Project Purpose:

- Project is designed to stimulate development and dissemination of renewable energy technologies: promote/expand afforestation and fuelwood conservation efforts, and support institutional development of Ministry of Energy and Regional Development.

Natural Resource Component:

- General education, information and research on natural resources protection and management. Production and distribution of seedlings for agro-forestry and forestry.
- The agroforestry component contributes to natural resources management and protection by providing farmers an integrated system of food, fuel and lumber production based on a sustainable system. Agroforestry production systems can produce significant increase in production, additional income, increased soil fertility, conservation of water, erosion control and an improved local ecological environment.

Dollar Funding

FY 87: \$150,000
FY 88: -
FY 89: -

Local Currency Support

FY 87:) -
FY 88:) \$2,000,000
FY 89:) -

Title:

Arid and Semi-Arid Lands Project No. 615-0172

Project Purpose:

- Establish a basis for launching an accelerated national development program in arid and semi-arid lands through (a) enhanced administrative, planning and technical competence, and (b) testing and proving an array of activities in soil and water conservation and tillage methods. Preserve and improve the agricultural production base in the pilot area in Kitui district.

Natural Resources Component:

- Small watershed protection and management. Production and distribution of seedlings for reforestation and soil and water conservation and management. Education and information on natural resources management and protection.

Dollar Funding:

FY 87: \$1,500,000

FY 88: \$ 370,000

FY 89: -

Counterpart Currency Support:

FY 87:

FY 88: \$1,000,000

FY 89: \$1,200,000

Title:

- National Agricultural Research Project 615-0229.

Project Purpose:

- To develop a well-managed national agricultural research system capable of providing the agricultural sector with appropriate technologies which will increase productivity on a continuing basis.

Natural Resources Component:

- The project will fund research in soil and water management.

Dollar Funding:

- FY 87: -
- FY 88: \$350,000
- FY 89: \$200,000

Counterpart Currency Support:

- FY 87: -
- FY 88: \$50,000
- FY 89: \$50,000

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FY 1989 ANNUAL BUDGET SUBMISSION
TABLE IV ATTACHMENT 3
BIOLOGICAL DIVERSITY

APPROPRIATION ACCOUNT PROJECT NO. TITLE	L/G	LIFE OF PROJECT	FY 87 ESTIMATE	FY 88 ESTIMATE	FY 89 AAPL
--	-----	-----------------------	-------------------	-------------------	---------------

((\$000))

Agriculture, Rural
Development and Nutrition

615-0229 National Agricultural Research	G	15,250	0 100*	20 100*	20 100*
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Selected Development Activities

615-0205 Renewable Energy	G	4,800	20 600*	0 0	0 0
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* Counterpart Currency Support

4705K

Biological Diversity

- Title: Renewable Energy Development Project No. 615-0205.
- Project Purpose: Project is designed to stimulate development and dissemination of renewable energy technologies: Promote/expand afforestation and fuelwood conservation efforts, and support institutional development of Ministry of Energy and Regional Development.

Biological Diversity Component

- Collection, preservation and field testing of indigenous and exotic trees and shrubs of economic importance. General education, information and research on natural resources protection and management. Production and distribution of seedlings for agro-forestry and forestry.
- The biological diversity component of this project is designed, primarily, to protect indigenous species of trees and shrubs. This is achieved through research and education and through the protection and management of genetic material in nurseries, through seed production and distribution units and by the establishment of tree and shrub production on farmers' land, and other selected areas (school, government land etc.)

Dollar Funding

— FY 87: \$20,000

Local Currency Support

FY 87:) \$600,000 —

FY 88:) -

FY 89:) -

Title:

- National Agricultural Research Project 615-0229

Project Purpose:

- To develop a well-managed national agricultural research system capable of providing the agricultural sector with appropriate technologies which will increase productivity on a continuing basis.

Biological Diversity Component

- A component of the project involves collection, preservation, and conducting research on indigenous and exotic genetic material of economic importance.

Dollar Funding

FY 87:) -
FY 88:) \$20,000
FY 89:) \$20,000

Counterpart Funding Support

FY 87: \$100,000
FY 88: \$100,000
FY 89: \$100,000

FY 1989 ANNUAL BUDGET SUBMISSION
TABLE IV ATTACHMENT 4
CHILD SURVIVAL

APPROPRIATION ACCOUNT PROJECT NO. TITLE	L/G	LIFE OF PROJECT	FY 87 ESTIMATE	FY 88 ESTIMATE	FY 89 AAPL
(\$000)					
<u>Child Survival</u>					
615-0241 CORAT Child Survival	G	1,285	1,285	0	0

4705K

Child Survival Activities

Within the context of the Agency's goals in this sector, USAID/Kenya support is further guided by two factors which have particular significance in Kenya. In 1979, Kenya's Total Fertility Rate of 8.0 is one of the highest ever recorded in the world at the national level. This situation guides both USAID and GOK policy makers toward emphasis on reduction of high-risk births, considering the interrelationship of this type of intervention to improving the survival potential of children. A second important consideration in Kenya is the significant role and potential of the private sector in child survival programs (including family planning), particularly at local/community levels.

In consequence, major portions of USAID's bilateral resources allocated to Child Survival Activities are focused around Kenya's special considerations. This suggests an active and strategic role in the Mission which complements already existing GOK/NGO and other donor initiatives, and draws upon central technical and funding resources.

Current projections in Mission support to Child Survival activities in Kenya during the period 1987-1989, include major portions of the Family Planning Services and Support project, and support to private organizations (AMREF Family Planning Management Project, CORAT, and PVO Co-Financing). In addition, USAID will provide supplementary measles vaccines to the Kenya Expanded Program on Immunization.

Centrally-funded support to be facilitated by the Mission includes assistance in the area of information, education and communication for diarrheal disease management (through PRITECH), along with the CDD research through Applied Diarrheal Disease Research (ADDR), centrally funded; P.L. 480 commodities targeted to MCH, research targeted at Acute Respiratory Infection (ARI) and malaria, and; area-specific Child Survival Projects funded through FVA/PVO.

The budget summary attached, details Child Survival activities by project, percentage of Mission support attributable to CS, and anticipated funding levels, 1987-1989.

4745K

SUMMARY OF ATTRIBUTABLE CHILD SURVIVAL IMPLEMENTATION AND INPUTS

PROGRAM AREA	TYPE OF INTERVENTION	% OF COMMITMENT APPLICABLE TO CS	ESTIMATED ANNUAL EXPENDITURE (1000s)					TOTALS
			1987	1988	1989	1990	1991	
1. REDUCTION IN HIGH-RISK BIRTHS								
	Clinical Training and Services Support (inc. contraceptives)	75	1200	1300	1400	1500	1600	7000
	Voluntary Surgical Contraception (inc. AID/3)	50	400	550	750	900	1000	3450
	Community Based Services (inc. AID/3)	50	750	900	950	900	950	4250
	Subsidized Commercial Marketing	50	---	300	200	150	150	800
	Ovulation Awareness	75	---	100	100	100	100	400
	Policy, Planning and Evaluation	10	5	15	20	25	25	70
	Information, Education and Communications	10	30	35	35	30	15	125
	Information & Planning Systems	10	61	61	64	61	61	205
	SUB-TOTAL: Family Planning Services & Support (FP 815-0220: 9/85 - 8/92)		2446	3161	3336	3556	3591	18420
	Private Sector Family Planning (FP 815-0220: 2/80 - 9/97)	75	1050	1050	825	0	0	2925
	SUB-TOTAL: Fertility Regulation Information and Services for CS:		3496	4211	4161	3556	3591	18145
2. NUTRITION								
	Public Education (FRITECH Sub-Component of Item 4 below)	(Indirect)	0	0	0	0	0	
	Training (San Diego State University)	100 (Central)	72	24	25	37	0	158
	PL 480 (MCH)	100 (Central)	1560	975	885	352	330	5102
	SUB TOTAL		1572	1019	910	389	330	5260
3. IMMUNIZABLE CHILDHOOD DISEASES								
	Measles Vaccines *	100	0	200	275	300	270	1045
	Information, Education & Communications	100 (Central)	0	0	100	100	120	320
	SUB TOTAL		0	200	375	400	390	1365

PROGRAM AREA	TYPE OF INTERVENTION	% OF COMMITMENT APPLICABLE TO CS	ESTIMATED ANNUAL EXPENDITURE ACCRUAL (000s)					TOTALS
			1987	1988	1989	1990	1991	
4. DIARRHEAL DISEASE MANAGEMENT								
	Training) Planning/Budgeting) & Evaluation) Commodities) Public Education)	100 (PRITECH Central/Mission)	117	117	117	0	0	351
	Research ABDR/KEMRI/MRC	100 (Central)	50	50	50	50	50	200
SUB TOTAL			167	167	167	50	0	551
5. OTHER CAUSES OF INFANT AND CHILD MORTALITY								
	Acute Respiratory * infections (Research)	100 (Central)	0	50	50	50	50	200
	Malaria (Vector Borne * Disease Control)	(Central)	20	50	30	20	20	140
SUB TOTAL			20	100	80	70	70	340
6. SUPPORT TO NON-GOVERNMENTAL ORGANIZATIONS' CHILD SURVIVAL PROJECTS								
	Kitui Primary Health Care	100	150	0	0	0	0	150
	AMREF FP/M Management	100	182	0	0	0	0	182
	AMREF Matching Grant	25	20	20	20	0	0	60
	Salvation Army (FYA/PVO)	100 (Central)	50	50	0	0	0	100
	AMREF CS Project	100 (Central)	250	250	250	0	0	750
	CORAT	100	400	400	400	0	0	1200
	PVO Co-financing * (expected)	100 (Health)	600	600	600	600	600	3000
		75 (Population)	333	333	333	333	333	1665
	New PVO/FVA/CS * Projects (expected)	100 (Central)	200	400	600	600	600	2400
SUB TOTAL			2185	2053	2203	1533	1533	9507
GRAND TOTAL OF ALL EXPECTED A.I.D. CS INPUTS:			7440	7800	7737	6500	6624	36309

* Anticipated additions to A.I.D. Child Survival actions in Kenya

AFRICA BUREAU TABLE 1
FY 1989 ANNUAL BUDGET SUBMISSION
FUNCTIONAL ATTRIBUTION

<u>Project No.</u>	<u>Project Title</u>	<u>Shadow Functional Account</u>	<u>FY 1988 Budget Allocation</u>	<u>FY 1989 Budget Allocation</u>
615-0220	Rural Private Enterprise	ARDN	296,000	0
615-0229	National Agricultural Research	"	4,000,000	5,079,000
615-0234	Training for Development	"	2,000,000	0
615-0236	Kenya FVO Co-Financing	"	300,000	0
615-0238	Private Enterprise Development	"	1,404,000	1,000,000
615-0239	Institutional Development for Agricultural Training	"	300,000	0
615-0232	Family Planning Services and Support	PDP	5,900,000	7,000,000
615-0234	Training for Development	EHR	651,000	1,121,000
"	"	SEA	1,000,000	0
615-0236	Kenya FVO Co-Financing	"	372,000	0
615-0238	Private Enterprise Development	"	1,035,000	1,000,000
615-0242	Sector Program for Marketing Development	"	0	2,000,000
615-0510	FSIS	Various Accounts	702,000	800,000
			<u>19,000,000</u>	<u>18,000,000</u>
		Total	<u>19,000,000</u>	<u>18,000,000</u>

PRCS:5/17/87

AFRICA BUREAU TABLE II
 FY 1989 ANNUAL BUDGET SUBMISSION
 PIPELINE ANALYSIS AND MODIFICATIONS TO LOP AND PACD

Project Number	Project Name	Total Auth. (\$'000)	Cost Plan (\$'000)	Obligated Thru FY 1986 (\$'000)	FY 1986 Pipeline (\$'000)	FY 1987			FY 1988			FY 1989			Current PACD	Proposed PACD
						Oblig. (\$'000)	Expend. (\$'000)									
615-0172	Arid and Semi Arid Lands	13,000	10,900	10,500	1,718	0	1,660	0	58	0	0	0	0	12/31/87	N/A.	
615-0190	On Farm Grain Storage	7,800	7,800	7,800	4,571	0	700	0	700	0	900	0	900	6/4/88	6/4/90	
615-0230	Agricultural Dev. Program	14,724	14,724	14,724	1,916	0	1,916	0	0	0	0	0	0	5/30/87	5/30/88	
615-0239	Institutional Development for Agricultural Training	2,000	3,300	2,000	2,000	1,000	215	300	1,500	0	950	0	950	9/30/91	Same	
615-0219	Family Planning Management (AFPEF)	620	620	620	287	0	287	0	0	0	0	0	0	8/12/87	Same	

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AFRICA BUREAU TABLE III
FY 1989 ANNUAL BUDGET SUBMISSION
PVO ACTIVITY

Project No.	Project Name*	PVO Name (US/Hon U.S.)	Functional Account	Span of PVO LOP and % of Total	PVO LOP For			
					FY-86 Obligations	FY-87 Obligations	FY-88 Obligations	FY-89 Obligations
928-0216	Lutheran World Relief	US	N/A	3	N/A	N/A	N/A	N/A
928-0259	Institute for International Development Inc. (IID) (C)	US	N/A	3	N/A	N/A	N/A	N/A
928-0263	Coordination in Dev. (CoDel) (C)	US	N/A	3	N/A	N/A	N/A	N/A
928-0267	Cooperative of America Relief Everywhere (CAIE) (C)	US	N/A	5	N/A	N/A	N/A	-
928-0265	Aga Khan Foundation USA (AKF) (C)	Not known	N/A	3	N/A	N/A	N/A	N/A
928-0273	Advertiser Development & Relief Agency (ADRA)(C)	US	N/A	3	N/A	N/A	N/A	N/A
928-0202	World Vision Relief Organization (WVRD) (C)	US	N/A	3	N/A	N/A	N/A	N/A
Not avail- able	World Relief Corporation (WRC) (C)	US	N/A	3	N/A	N/A	N/A	N/A
928-0264	Private Agencies Collaborating Together (PACT) (C)	US	N/A	3	N/A	N/A	N/A	N/A
928-0241	Goals for Millions/Freedom from Hunger Foundation (TFM/FHF) (C)	US	N/A	2	N/A	N/A	N/A	N/A

* (S) Indicates bilateral; (R) indicates regional; (C) indicates centrally-funded.
N/A - Not available

AFRICA PROGRAM TABLE IV
FY 1989 ANNUAL BUDGET SUBMISSION
PRIVATE SECTOR ACTIVITIES

Project No.	Project Name*	Implementing Organization (US/Non U.S.)	Functional Account	Private Sector LOP Spent	Priv. Sect. Total Project and % of Total	FY-86 Obligations	FY-87 Obligations	FY-88 Obligations	FY-89 Obligation	Type of Funding
615-0210	Rural Private Enterprise	US/Non US	AIDN	6	100%	100,000	0	900,000	-	Bilateral
615-0221	Agricultural Management	Non US	AIDN	3	50%	2,000,000	0	0	0	"
615-0230	Agricultural Dev. Loan	Non US	AIDN	3	100%	1,724,314	0	0	0	"
615-0236	Kenya PVO Co-Financing	Non US	AIDN, ICP, HE, EIB, SDA	7	100%	375,600	0	672,000	3,000,000	"
615-0238	Private Enterprise Dev.	Non US	AIDN, SDA	7	75%	0	9,000,000	-	5,000,000	"
615-0242	Private Sector Family Plan.	US	PN	6	100%	2,000,000	0	0	0	"
615-0252	Family Planning Services & Support	Non US	PN, HE	7	10%	9,891,000	3,313,000	5,900,000	5,000,000	"
615-0276	Family Planning Management Program	US	PN, HS	3	100%	0	0	0	0	"
615-0279	Kitum Rural Health II	US	HE	3	100%	0	0	0	0	"
615-0285	Private Sector Housing Program	Non US	SDA	4	100%	0	0	0	0	"
615-0285	Structural Adjust. Program Grant	Non US	ESF	4	80%	0	0	0	0	"
615-0290	Structural Adjust. Program Grant	Non US	ESF	4	100%	14,442,000	14,495,000	17,000,000	17,000,000	"
615-0294	Training for Development	Non US	AIDN, HE, EIB, SDA		50%	-	3,554,000	3,991,000	2,000,000	"
615-0295	National Agri. Research I	Non US	AIDN	3	42%	7,421,000	0	4,000,000	5,079,000	"

AFRICA BUREAU TABLE V
FY 1989 ANNUAL BUDGET SUBMISSION

REGIONAL AND CENTRALLY FUNDED ACTIVITIES

Project No.	Project Name	Organization Implementing (US/Non U.S.)	Functional Account	LOP (yrs)	LOP (\$000)	FY-86 Obligations	FY-87 Obligations	FY-88 Obligations	FY-89 Obligations
<u>1. Directly Related To Mission Portfolio</u>									
540-0004	International Executive Services Corps (IESC)	PRE	AFDN SIA Health	17 17 3	Not Available " "				
951-1228	Small Ruminants	Winrock Int.	ARDN	9	1,234,000	0	510,000	Ends Dec. 1987	-
615-0506.15	Small Project Assistance	U.S. Peace Corps	SDA	5	160,000	40,000	40,000	40,000	40,000
658-0433	African Manpower Development Project	Government of Kenya	HR	FY 82-83	1,015	140	-	-	-
952-0569	Salvation Army World Office (SAWSO)	US	N/A	3	176,000	N/A	N/A	N/A	-
687-0177	Young Men Christian Association (YMCA)	US	N/A	3	250,000	N/A	N/A	N/A	6-86 to 5-89
952-0644(E)	Child Survival	PVO	HE	N/A	1,500	500,000	500,000	500,000	(500,000)
952-0644(E)	Farmed Auk Training	UNC-INTRAH	FN	5	630	180,000	180,000	180,000	180,000
952-0568	Prog in Voluntary Steril.	AVSC	PN	6	1,150	260,000	300,000	300,000	200,000
952-0604	Trng Reproductive Health	JHU-JHEEGO	FN	6	1,670	370,000	175,000	200,000	200,000
952-3042	Family Planning Services	Pathfinder	FN	5	1,680	480,000	400,000	250,000	250,000
952-0955	FP International Ass.	FPIA	FN	6	1,700	400,000	400,000	200,000	150,000

AFRICA BUREAU TABLE V
FY 1989 ANNUAL BUDGET SUBMISSION

REGIONAL AND CENTRALLY FUNDED ACTIVITIES

<u>Project No.</u>	<u>Project Items</u>	<u>Organization Implementing (US/Non U.S.)</u>	<u>Functional LOP Account (yrs)</u>	<u>LOP (\$000)</u>	<u>FY-86 Obligations</u>	<u>FY-87 Obligations</u>	<u>FY-88 Obligations</u>	<u>FY-89 Obligations</u>
928-0202	World Vision Relief Org. Organization (WVIO)	US	N/A	6	N/A	N/A	New Grant 1987-1989	-
938-0204	Private Agencies Collaborating Together (PACT)	US	N/A	3	N/A	N/A	PACD-1988	-
935-0261	Needs for Millions/Freedom from Hunger Foundation (MM/HF)	US	N/A	2	N/A	N/A	N/A	-
938-0269	Feetler Lunants Plan of the US (FLP)	US	N/A	3	N/A	N/A	N/A	N/A
938-0274	Biological Growth of the U.S.A. (BGUSA)	US	N/A	3	N/A	N/A	N/A	N/A
938-0282	Johns Hopkins Oper. Res.	JHU-Int'l He	PN	5	1,000	100,000	0	0
938-0280	Richard Feely Planning	Georg. Univ	PN	5	100	150,000	0	100,000
938-0281	Pop Communication Ser.	JHU-Pub. He.	PI	5	200	35,000	35,000	35,000
938-0283	Pop. and Health Survey	Westinghouse	PN	5	100	35,000	30,000	100,000

II. Indirectly Related To Mission Portfolio:

AFRICA BUREAU TABLE V
FY 1989 ANNUAL BUDGET SUBMISSION

REGIONAL AND CENTRALLY FUNDED ACTIVITIES

<u>Project No.</u>	<u>Project Name</u>	<u>Organization Implementing (US/Non U.S.)</u>	<u>Functional Account</u>	<u>LCP (yrs)</u>	<u>LOP (\$000)</u>	<u>FY-86 Obligations</u>	<u>FY-87 Obligations</u>	<u>FY-88 FY Obligations</u>	<u>FY - 89 Obligations</u>
<u>III. Act Related to Mission Portfolio</u>									
933-0216	Lutheran World Relief	US	N/A	3	N/A	N/A	N/A	N/A	N/A
938-0259	Institute for International Development Inc. (IIDE) (C)	US	N/A	3	N/A	N/A	N/A	PACD - 1988	-
933-0263	Coordination in Development (CoDel)	US	N/A	3	N/A	N/A	N/A	PACD - 1988	-
938-0267	Cooperative of America Relief Everywhere (CARE)	US	N/A	5	N/A	N/A	N/A	N/A	N/A
938-0265	Aga Khan Foundation USA (AKF)	not known	N/A	3	N/A	N/A	N/A	N/A	N/A
938-0273	Adventist Development & Relief Agency (ADRA)	US	N/A	3	N/A	N/A	N/A	PACD - 1988	-

Project Number : 615-0242

Project Title : Sector Program for Marketing
Development

Proposed Funding : FY89 Grant - \$ 2,000
(Thousands \$) : FY90 Grant - \$ 4,000
: FY91 Grant - \$ 4,000

: LOP Grant - \$10,000
(HIG - \$20,000)

Appropriation Account : DFA

Development Problem:

The lack of an efficient market system remains a stumbling block to increased agricultural productivity, enterprise development and employment generation in Kenya. Further increased trade (both internal and external) depends on market expansion. This central role of efficient markets (currently lacking) is recognized in the Government of Kenya's (GOK) Sessional Paper No. 1 of 1986, as well as in AID's development strategy for Kenya as critical to both growth and employment linkages between Kenya's rural areas and its market towns.

Program Approach and Purpose:

The development of the market structure is being addressed by the GOK through the District Focus Strategy and the creation of the new District Development Fund (DDF). Over the past years Government has increasingly shifted responsibility for rural development planning, coordination, project implementation, and the management of resources to the Districts.

Several approaches have been tried, including establishing rural development and micro-project funds (EEC financed) for financing project specific district level activities. With the establishment of the District Development Fund, an emphasis will be given to coordinated investments in small towns - small town infrastructure, enterprise development programs, etc. - with a view to encouraging "multiplier effects throughout the center's hinterlands". Specifically, monies from the fund will be used for investment in small towns such as the Rural Trade and Production Centres (RTPC's), i.e., multiple investments in individual small towns which show a high potential for linkages to adjacent agricultural areas. AID is committed to the District Focus concept and is already playing a role in assisting its implementation through the Resource Management for Rural Development Activity. In addition, AID has been assisting complementary efforts with larger local authorities

by supporting revenue generating projects and local authority financial management training. The purpose of this AID assisted program will be to support these activities in the RTPC's and in larger market towns.

Preliminary Project Description:

The assistance could be utilized for such activities as the development of infrastructure and capital improvements (e.g., utilities, farm-to-market roads), modest revenue generating public facilities such as markets, and the provision of affordable land and services for below median income residential development. Support could also be provided for training and professional development activities for local government officials and for workshops and programs designed to promote an enhanced private business climate.

By early 1989, when this proposed new AID sector program will be developed, urban/rural balance questions will be more clearly defined; the DDF will be well into initial implementation; market towns will have been identified; and the DDC's will be implementing projects approved under the fund. In brief, we anticipate that District Focus and GOK actions in market development will be advanced to a level where we can enthusiastically endorse a large and flexible bilateral effort to assist Kenya with its marketing development.

Two additional elements which must be addressed in a marketing development program - and we expect would be included in the AID sector program - include grain marketing development and the development of markets for export commodities. The increased domestic production of grain - principally maize - is essential for ensuring food security and for economic growth. As noted above, production in farm output is linked directly to small town employment and income generation. The program grant could be utilized for such market development activities as assisting in establishing an information system which would gather and disseminate crop forecasts and price data, and contributing to a revolving fund for the purpose of establishing a floor price mechanism for maize to ensure competition in surplus years (assuming that certain of the policy reforms to NCPB which Government is considering are carried out). The program could also include some type of mechanism, perhaps targetted lending, to assist the private sector in expanding its storage and transportation systems in order to improve market efficiency.

In addition to the development of the domestic grain market, attention must be given to improving the market for Kenya's export crops. As Sessional Paper No. 1 emphasizes, the

promotion of agricultural export earnings is essential as a means of financing Kenya's development. The program grant could respond to this issue by assisting with periodic reviews of the domestic and international market (necessary if Kenya is to penetrate new markets and/or significantly expand existing markets), transportation and storage assistance, and possible assistance to small farmer cooperatives, private joint ventures, etc. Emphasis would be given to those ventures which indicate sustainability over the long-term, provide employment opportunities, and generate or save foreign exchange for Kenya.

Policy Concerns:

The program would also directly address a number of policy concerns, including liberalized output markets, liberalized input markets, private sector development, the development of an animal feed industry, rural industrialization, productive employment, and international trade and development issues. Inasmuch as the program focus is on market development, it is expected that these issues would be systematically addressed in such a way as to enhance the development of efficient markets which contribute to increased agricultural productivity and market town growth.

Historically, AID initiatives in Kenya have peripherally addressed the issues of market development and growth of market centers through a series of individual projects and activities, i.e. the Small Towns Shelter and Community Development Program, Title I Self-Help Measures, the ESF Structural Adjustment Program, Rural Private Enterprise Development, Rural Planning II, etc. These activities, while closely associated with various aspects of market development, have not focused specifically upon market development. What is envisioned is a new initiative that would not be structured within the standard DA project framework. Instead, a sector program would likely be the mechanism with disbursements for dollar costs made against performance targets and/or specific infrastructural activities. The GOK would take the lead in project implementation, with AID acting as the financier. Technical assistance and training provided in support of the program would likely be financed under our Structural Adjustment Program.

Counterpart shillings could be used for a portion of the activities mentioned above, e.g., farm-to-market road development, storage investments, etc. Resources from RHUDO's Housing Guarantee Program could be utilized for infrastructure and capital improvements in small towns, revenue generating public facilities, and the provision of affordable land and services for low income residential development, etc.

The GOK has made considerable progress to date in formulating policies and initiating programs to address the various issues related to marketing development. As noted, AID has been and continues to be involved in some of these efforts. A new AID Sector Program would involve greater AID assistance and involvement, and would be intended to help further the initiatives of the Government. As the issues noted here are further discussed between the GOK and AID, greater specificity will evolve regarding how best a new AID initiative can be structured.

Design Schedule

PID Submission: November, 1988
PP Authorization: May, 1989

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AID PROGRAM IN FY 1989
ANNUAL BUDGET SUBMISSION
TABLE V - PROPOSED PROGRAM RANKING

DECISION UNIT: USAID/KENYA

RANK	PROJECT	TITLE	NEW/ ON GOING	LOAN/ GRANT	PROGRAM FUNDING (\$000)		CUM
					APPROP	INCR	
1.	615-0232	Family Planning Services & Support	0	G	PN	7,000	7,000
2.	615-0238	Private Enterprise Development	0 0	G G	FN SDA	1,000 1,000	8,000 9,000
3.	615-0229	National Agricultural Research	0	G	FN	5,079	14,079
4.	b. P.L. 480	Title II Section 206	N	G	PL	(10,000)	14,079
5.	615-0242	Rural Marketing Development	N	G	SDA	2,000	16,079
6.	615-0234	Training for Development	0	G	EH	1,121	17,200
7.	615-0510	PDSS	0	G	V/R	800	18,000
8.	615-0240	Structural Adjust- ment Assistance	0	G	ESF	17,000	35,000
9.	PL 480	Title I	N.O.	G	PL	(5,000)	-
10.	a. P.L. 450	Title II CRS	0	G	-	(4,040)	-

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Local Currency Plan

In excess of \$29 million in counterpart funds, of which approximately \$23 million was available in special accounts, was programmed in March 1987. The agreement was the first reached with the Government of Kenya (GOK) since January 1985.

There had been a reluctance on the GOK's part to jointly program counterpart since it was their desire to use such funds for general budgetary support, rather than for projects and programs which support AID's priorities as well as their own. With a change of personalities involved with counterpart matters at the Ministry of Finance, a more willing attitude to discuss, compromise and reach agreement on counterpart programming has emerged. These new officers have recognized the disadvantage of borrowing money to meet budgetary needs while counterpart funds that could be used to support budgetary line items lay idle in special accounts. We believe the agreement reached in March is the harbinger of a new cooperative effort on the GOK's part to promptly discuss, negotiate and program local currency.

The majority of the counterpart programmed in March, from an agriculture sector loan and two Title I agreements, will be included in the GOK's FY 1987/88 budget year (i.e. July 1, 1987 to June 30, 1988). During that GOK fiscal year, we also expect to program the equivalent of \$5 million of the \$10 million in ESF funds expressly reserved for private sector activities under the terms of two past ESF agreements. These counterpart funds destined for support of private sector activities are off-budget, though agreement will be reached with the government on which private sector activities/enterprises will be supported with these local currencies.

USAID has been largely successful in obtaining GOK agreement to uses of local currency which conform to our priorities. USAID's first priorities for counterpart use are the Trust Fund and support for AID-funded dollar projects. USAID's second priority is to support host country or other donor activities in sectors we have identified as important to Kenya's development and which complement our own activities in these sectors. A review of the local currency table shows that the majority of local currency programmed and to be programmed will fall within USAID's major priorities. Agricultural research and education, family planning and private sector development comprise our areas of primary emphasis and will receive a significant amount of counterpart support over the next three years. All of these activities are in direct support of the Mission's strategy.

A.I.D.'s strategy for increasing per capita food production stresses, inter alia, "improving the quality and availability of basic food research" and "improving technical, management and financial capabilities of people in sub-systems (public and private) that deal significantly with the agricultural sector." Approximately \$32 million in counterpart is or is expected to be programmed in support of agricultural research and agricultural education in the GOK budget years 1987/88 through 1989/90.

Counterpart funds programmed for private sector activities support our objective of improving the enabling environment in this sector. The counterpart is expected to be used in developing a business support system by providing credit to small and micro enterprises, mainly in rural areas.

For GOK FY 1989/90, we propose to negotiate and reach agreement with the GOK on using an increasing amount of counterpart to support both natural resources management and biological diversity activities. It is expected that Title I generated counterpart will be used in these two new areas of focus as counterpart uses for these purposes fits in with both the letter and spirit of the objectives of Title I legislation.

The planned uses of counterpart reflected in Table VI for the years 1988 through 1990 are those which USAID will propose and negotiate with the GOK. Given the new willingness to discuss and negotiate counterpart uses at the Ministry of Finance, we believe we will be successful in obtaining GOK concurrence to uses indicated in the table.

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FY 1989 ANNUAL BUDGET SUBMISSION

Table VI: Expenditures of Local Currency Generations
 (all in the U.S. dollar equivalents, and in \$ Millions)
 For GOK Fiscal Year July 1-June 30 ^{1/}

<u>Source/Purposes</u>	<u>1986/87</u> <u>ACTUAL</u>	<u>1987/88</u> <u>EST.</u>	<u>1988/89</u> <u>PLANNED</u>	<u>1989/90</u> <u>PROP.</u>
1. <u>ECONOMIC SUPPORT FUND</u>				
A. Public Dev Activities	<u>.5(.5)^{2/}</u>		<u>31.5(14.5)</u>	<u>20.1(10)</u>
1. Ag. Research	-	-	7 (3)	6 (3)
2. Rural Infrastructure	-	-	4	6
3. Ag. Education	-	-	7 (5)	4.1(4)
4. Soil Conservation	-	-	2	-
5. Health and Nutrition	-	-	1	1
6. Family Planning	.5 (.5)	-	5 (5)	3 (3)
7. Forestry	-	-	2 (1)	0.5
8. Renewable Energy	-	-	1.5	-
9. Human Resources Training	-	-	2 (.5)	5
B. Private Sector Programs		<u>5 (3)</u>	<u>5 (3)</u>	
1. Medium Term lending to Small Enterprises	0	5 (3)	5 (3)	-
C. Public Sector Recurrent Budget	-	-	-	-
D. AID Opera. Expens. (Trust Fund)	1.3	1.8	2.2	2.2
II. DEVELOPMENT ASSISTANCE				
A. Public Development Activities		<u>16.7(2)</u>	-	-
1. Rural Enterprise Train. Asst	-	10.7	-	-
2. Population Census	-	1.0	-	-
3. Livestock Development	-	2.8	-	-
4. Rural Housing	-	2.0(2)	-	-
5. Human Resources Dev.	-	.2	-	-
B. Private Sector Programs.	-	-	-	-
C. Public Sector Recurrent Budget	-	-	-	-
D. AID Operating Expenses (Trust Funds)				
SUBTOTAL ESF & DA	1.8	23.5	38.7	22.3

FY 1989 ANNUAL BUDGET SUBMISSION

Table VI: Expenditures of Local Currency Generations
(all in the U.S. dollar equivalents, and in \$ Millions)
For GOK Fiscal Year July 1-June 30 ^{1/}

<u>Source/Purposes</u>	<u>1986/87</u> <u>ACTUAL</u>	<u>1987/88</u> <u>EST.</u>	<u>1988/89</u> <u>PLANNED</u>	<u>1989/90</u> <u>PROP.</u>
II. <u>PL 460</u>				
A. Public Development Activities	<u>2 (.6)</u>	<u>10.7(5)</u>	<u>8.5(4.5)</u>	<u>6.8(6.4)</u>
1. Ag. Research/Education	-	6.3(5)	3.5(3.5)	3.9(3.9)
2. Rural Infrastructure	-	2.7	3.5	-
3. Renewable Energy	2 (.6)	0	-	-
4. Soil Conservation	-	1.7	-	-
5. Natural Resources Management	-	-	.5 (.5)	1.4(1.3)
6. Ag. Forestry	-	-	.5 (.5)	1.2(1.2)
7. Ag. Planning	-	-	.5 (.5)	0.3
B. Private Sector Programs	-	-	-	-
C. Public Sector Recurrent Budget	-	-	-	-
1. Agriculture or other subsidies	-	-	-	-
D. AID Operating Expenses (Trust Funds)	-	-	-	-
TOTALS	3.8	34.2	47.2	29.1

NOTE:^{1/} Based on GOK FYs as majority of counterpart programs are for GOK development budget.

^{2/} Figures in parenthesis represent amounts which are in direct support of AID projects.

Privatization Plan

The Mission has supported the GOK's divestiture policy since its announcement in the Ndegwa Report of 1982. Because of GOK sensitivity to involvement of donors in the divestiture process, our actions to date have focused more on creating an enabling environment for the private sector than strictly "privatization", i.e. the sale of public companies, parastatals and services to the private sector. The Mission has supported a policy of opening up public monopolies and monopsonies to private participation, i.e. to create competition for State Owned Enterprises (SOE) and thus to show policy-makers that private entities can do the job more efficiently and without burdening the exchequer. In addition, the Mission has supplied ESF-financed technical assistance to support Kenya's budget rationalization process including establishment of internal and external debt reporting systems which show the cost of SOE's operations on the budget. Kenya has succeeded in reducing the parastatal share of the development budget from 36 percent in 1978 to 4 percent.

The Mission has actively supported the divestiture process through suggestions and by conditionality or covenants in our non-project assistance agreements. As an example, the Kenyan Government covenanted in the FY1983 ESF Agreement that it would prepare strategies and mechanisms for divestiture of Government interests in public enterprises. As a result a high level parastatal divestiture committee was established and has completed its initial work. Two divestitures were recommended by the task force (the Kenya Fishing Industries and Uplands Bacon). The divestiture of Kenya Fishing Industries has taken place. The President, in a recent announcement, declared that Uplands Bacon would remain in State hands. The Mission has exercised considerable influence on the privatization process through policy dialogue, assistance in financing studies of divestiture possibilities and through some conditions and covenants to project agreements.

Through a consultancy funded by AID, impetus was given to GOK design and development efforts to create a Capital Market Development Authority. This authority, proposed to be composed of a mixture of private and public sector leaders, would replace the current GOK Capital Issues Committee which has regulated and controlled new public issues of stocks through the Nairobi Stock Exchange. The modernization of the GOK oversight system being discussed would enable the parastatal divestiture process to proceed through selling ownership (equity) to a broad group of Kenyans through the Exchange. The political constraints to divestiture should be significantly

decreased when this changeover to oversight by the new Capital Market Development Authority is made. USAID will continue to support, both informally, and formally through the Private Enterprise Development Project if requested by the GOK, the implementation of the new Authority.

A second approach to privatization involves work being initiated by USAID in the Kenyan money market. The use of new financial instruments and brokerage systems are being analyzed along with mechanisms to stimulate the introduction and use of alternatives to GOK treasury bills in short-term money market transactions.

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Agricultural Research and Faculties of Agriculture

The USAID/Kenya portfolio currently includes two projects which fit within the Bureau's Plan for Supporting Agricultural Research and Faculties for Agriculture in Africa. The first of these is the National Agricultural Research Project (615-0229) which represents the initial phase of a 10-20 year commitment to Kenya's agricultural research institutions. The second is the Institutional Development for Agricultural Training Project (615-0239) which is expected to foster a long-term relationship between Egerton University College and the University of Illinois which we expect to last beyond the project itself.

The purpose of the National Agricultural Research Project (615-0229) is to develop a well-managed national agricultural research system capable of providing the Kenyan agricultural sector with appropriate technologies which will increase productivity on a continuing basis. In order to achieve this purpose, the A.I.D. financed project, which is part of a multi-donor program, is composed of four components which focus upon:

1. Kenya Agricultural Research Institute's (KARI's) central planning and management functions which are intended to ensure the implementation of efficient and effective systems to prioritize and allocate scarce resources (financial, capital equipment, and human) across commodity/factor programs;
2. The planning, execution, and monitoring of the national maize and sorghum/millet programs to assure efficient/effective use of the resources allocated to these commodity programs;
3. Long and short-term training (including seminars and internship) to facilitate the development of a professional human resources base; and
4. The development of a Research Fund mechanism which will encourage the linkage of public, private, and university researchers.

It is also intended that the National Agricultural Research Project will serve to strengthen regional dialogue and networking, especially among countries facing common problems or constraints. As such the project is consistent with the guidelines found in the Plan for Supporting Agricultural Research and Faculties of Agriculture in Africa.

The purpose of the Institutional Development for Agricultural Training Project is to create at Egerton University College an agricultural education institution of excellence serving the needs of Kenya and Africa. The secondary purpose is to establish a permanent institutional link between Egerton and a major U.S. university -- University of Illinois at Urbana Champaign. In 1986, Egerton became a 4 - year agricultural degree granting institution with plans for the eventual establishment of a graduate school. Currently 10% of the student body are citizens of African countries other than Kenya. It is expected that this figure will increase to 25% in the next few years as Egerton expands its facilities. It is important to stress that at Egerton quality is as important as quantity. The linkages between the U.S. university and Egerton University College are resulting in both technology transfer and the institutional enhancement in administration and service. Egerton is also addressing research issues through the hosting of international and national meetings as well as the normal research activities of its professors and students. As such the IDAT project is perceived as a complement to the National Agricultural Research Project and is consistent with the Bureau's Plan.

Funding

	<u>1987</u>		<u>1988</u>		<u>1989</u>	
	DA	LC	DA	LC	DA	LC
KNARP 615-0229	840,000	1,445	5,215,000	2,000	3,663	2,000
IDAT 615-0239	215,040	2,000	215,040	2,500	2,154	2,500

Outputs:

1. Improved planning and management systems for KARI in order for it to manage a relevant and high quality research system.
2. Expanded technology capacity to produce improved technologies for the Kenyan farmer.
3. Improved research linkages between the public sector and the academic and private sector.

4701K

TRAINING

At present, the Mission's training portfolio includes the participant training components of on-going projects together with \$150,000 for our 1987/88 AMDP training program, administered in cooperation with the GOK's Directorate of Personnel Management. The Africa Bureau has designed a third phase of AMDP and renamed it the Human Resources Development Assistance Project (HRDA). A June authorization of the project is expected. However, the Mission does not at this time have information regarding allocations for FY89.

In addition, negotiations are underway to obligate \$10 million in FY87 for "Training for Development", a five-year training project designed to offer new leadership-oriented training opportunities in the U.S. to outstanding public and private sector Kenyan participants.

WOMEN IN DEVELOPMENT

A gender analysis of the Mission portfolio is scheduled to take place in June 1987. The analysis will assess the impact of Mission-financed activities on women. It will be especially useful in structuring future Mission design activities and in the development of planning documents such as the ABS and CDSS.

2744N

PVO Narrative: FY 1989 ABS

The Mission provides or helps provide resources to PVOs through OPGs, centrally-funded grants and the PVO Co-Financing Project (615-0236). Through the centrally-funded grants mechanism, over 15 PVOs currently carry out operations in Kenya in such fields as water supply, agroforestry, income generation, energy, population and health, agriculture and family planning. Through use of OPGs, specific activities are carried out by PVOs that promote development in designated priority areas (e.g., USAID provided funding to publish a Women's (NGO) Directory in 1985).

The PVO Co-Financing Project is a seven-year, 12 million dollar project that seeks to increase the development impact of PVO activities in Kenya. To do this, the project supplies funds to a Kenyan PVO known as Voluntary Agencies Development Assistance (VADA) to provide the following: 1) financing through a Development Fund for approved development activities by U.S. and Kenyan PVOs; 2) institutional strengthening assistance through the provision of training and advisory services to the PVO community; and 3) PVO information and evaluation services through an Information and Evaluation Unit. While training and advisory services continue under the project, the disbursement of funds to the Development Fund has been put on "hold" pending the outcome of a project review. The review should begin not later than July, 1987 and be completed four to six weeks later.

The Mission's PVO interests are expanding, and various non-profit support and service groups are registering to be eligible for Mission assistance, directly or indirectly. In addition, USAID is considering modifications in the present system for using counterpart Kenya shillings, which now chiefly involve support to Government of Kenya (GOK) programs. Gradually, Mission priorities for the use of such counterpart funds are being more effectively formulated, communicated and negotiated with the GOK. As the process accelerates, the use of counterpart funds to support PVO activities undoubtedly will move up on the list.

The Mission also is considering ways to establish closer links with the PVO sector, as the national District Focus for Rural Development program evolves and expands. Specific strategies for implementing this new emphasis are being formulated.

Finally, USAID consults frequently with PVOs when visiting their projects; when discussions are held about the possibility of funding new projects; during program evaluations, reviews and audits; and on many other occasions. In addition, consultations are held during seminars and workshops sponsored by GOK, donors and/or the PVO community.

TABLE VIII
LIST OF PLANNED EVALUATIONS
FY 1989 ANNUAL BUDGET SUBMISSION
COUNTRY/OFFICE KENYA

Project List (Project No. & Title)	FY 1988		FY 1989		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral Assistance
	Last Eval Completed (Mo/Yr)	Start (Qrt)	To AID/W (Qrt.)	Start (Qrt)				
<u>Agriculture, Rural Development and Nutrition</u>								
Institutional Dev. for Agricultural Training (615-0239)	N/A	2nd	3rd	Mid project evaluation to assess progress toward achieving objectives, and to stress impact on beneficiaries.	\$40 Funded	30 Project	Outside contractor	
Agricultural Management (615-0221)		1st	2nd	Mid-term reevaluation to: determine the demand for services provided by the project; the impact of the services; assess the validity of the methodology; and if a Phase II is warranted.	\$90 Project	30 Project	Independent outside contractor	
National Agricultural Research: (615-0229)	N/A	3rd	4th	First evaluation to assess progress stated goals, identify const- rains and recommend modifications to remove constraints, and dete- mine impact of charged GOK bureaucratic and economic conditions on operation and outcome of project activities. Evaluation will concentrate on management and planning functions of KARI. Evaluation will provide basis for needed charges for Phase II.	\$150 Project Funded	60 Project	Independent outside contractor in cooperation with EEC, IRD, and GOK.	

TABLE VII
LIST OF PLANNED EVALUATIONS
FY 1989 ANNUAL BUDGET SUBMISSION
COUNTRY/OFFICE KENYA

Project List (Project No. & Titles)	Last Eval Completed (No/Yr)	FY 1988		FY 1989		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral Assistance
		Start (Qrt)	To AID/W (Qrt.)	1st	2nd				
<p><u>Regulation</u></p> <p>Family Planning Services and Support (615-0232)</p>	8/87						\$30 Project	30	U.S. contract
<p>- Element No. 1 Clinical Training and Support Services</p>	11/84	2	4	-	-	Mid-term evaluation service audit, output and quality of MCH in-service training program; and the implementation of the recommendations of the previous evaluation.	\$20 Project	20	-
<p>- Element No. 2 Voluntary Staffing Contingent</p>	-	1	2	-	-	Mid-term evaluation to evaluate the assistance and role of AVIC as an intermediary organization.	\$10 Project	10	

TABLE VII
LIST OF PLANNED EVALUATIONS
FY 1989 ANNUAL BUDGET SUBMISSION
COUNTRY/OFFICE KENYA

Project List (Project No. & Title)	FY 1988		FY 1989		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral Assistance
	Last Eval Completed (Mo/Yr)	Start To AID/W (Qrt.)	Start To AID/W (Qrt.)	To AID/W (Qrt.)				
- Survey	-	4	2	2	Demographic Health Survey	\$20 Project	20	-
- Assessment	-	-	3	4	An impact assessment	\$55	25	-
Private Sector Family Planning (615-0223)	3/85	3	4	-	2nd mid-term evaluation to assess progress, sustainability of sub- projects; cost effectiveness coverage, recommend follow-up assistance and develop plan for phase-out to a Kenyan organization.	\$15	15	-
<u>Child Survival</u>								
CBST Child Survival	-	-	2	3	Mid-term evaluation to assess progress towards achieving objectives of the project.	\$10 Project	5	-

TABLE VII
LIST OF PLANNED EVALUATIONS
FY 1989 ANNUAL BUDGET SUBMISSION
COUNTRY/OFFICE KENYA

Project List (Project No. & Title)	FY 1988		FY 1989		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral Assistance
	Last Eval Completed (No/Yr)	Start (Qrt)	To AID/W (Qrt.)	To AID/W (Qrt.)				
ORE/Kenya, Pl 430 Title II	2nd				Nutritional/Economic Impact and efforts.	PD & S; 16,000		FVA/PFE
Prosperity Brought Relief Title II	1st				Lessons Learned	PD & S; 16,000		FVA/PFE

TABLE VIII NARRATIVE

A. MANAGEMENT ISSUES

USAID Kenya, like other missions, continues to work on managing its program with fewer resources. Fiscal Year 1987 was one that can best be characterized as transitional as the USAID O.E. budget absorbed a number of heavy and unexpected mandatory cost increases that were a result of external factors beyond our control. The approval by the Department of rest and recuperation for Nairobi, increased costs of FSN staff due to the latest wage surveys, utility rate hikes, and increased rental costs, both office and residential, resulted in the Kenya Mission absorbing \$357,000.00 in O.E. costs in these areas alone which were not budgeted in FY 1987. The effect will be more dramatic during the next fiscal year. We were able to absorb these increases by decreasing expenditures planned in our non-expendable budget. As a result, it now appears that we will have to defer non-expendable procurement to FY-88 and FY-89 for the majority of the items originally scheduled for in our FY-87/FY-88 procurement plans. Costs associated with R&R will remain relatively constant over the next few years, but the Mission has yet to negotiate office rents that it appears will increase by 70 percent in US Dollars. For FY-88/FY89 this may mean an actual increase of \$265,000 if local exchange rates remain constant.

The most pressing and important feature of the cost increases mentioned is the dramatic rise of rents, particularly office rents in the city of Nairobi. After the political unrest in 1982 there was a lack of capital to finance new construction and at the same time an exodus by a large number of expatriate and other members of the community. This forced real estate market prices down and for the intervening several years we have enjoyed relatively inexpensive housing and office rentals in comparison with other countries. Past budget levels have been based on these lower prevailing rental figures. However, over the last two years, there has been a significant increase in the representation of other donor agencies, PVO's, the UN and private sector enterprises which has brought tough competition for housing and office space. There still exists a dearth of capital to finance construction and what capital is available is offered at interest rates approaching 18 percent over not more than six to seven years. Consequently with the shortages of housing, landlords are now demanding and getting rents that will amortize their mortgages in seven to eight years in many instances. Exemplifying this trend is the fact that leases that were negotiated in 1982-1984 that are now coming up for renewal are being leased for 60 to 70 percent more than the previous rent. Office rents have seen similar dramatic increases.

The Mission made important strides last year in improving its capability to store, inventory and account for non-expendable and expendable property. With a reduced portion of our budget allocated to NXP purchases, we have concentrated our efforts on improving maintenance as a cost effective alternative to new purchases. The acquisition of additional upholstery material to renovate furnishings is a good example. The erection of a modular mezzanine deck in the warehouse, coupled with the acquisition of nearly 200 shelving units, will greatly facilitate inventory control, which will result in improved ordering of expendable supplies and equipment. The added mezzanine floor space will in effect pay for itself over the next 4 to 5 years, and if in the future we were to move to another warehouse complex, the unit could be easily moved. Central to the upgrade of our warehousing capabilities is the urgent need for a forklift truck to operate the warehouse in a proper manner.

The Mission has developed and successfully implemented two computer programs to assist in information management at post, one for the control and tracking of purchase orders and the other is effectively monitoring the status of incoming and outgoing cables. We have continued to work with the automated tracking system, in conjunction with IRM, to inventory and reconcile NXP using barcodes. We intend to explore ways to convert this data base to the VS COBOL-NXP program, developed by ROCAP Guatemala, in order to reach a decision on whether we can utilize the increased capabilities of the Wang VS system.

With regard to the plan to purchase of land to be used to construct an office building, negotiations reached an impasse just as they were in their final stages. Given the unsuitable and costly office space that we now occupy, both from an operational and security point of view, we are determined to examine alternatives that will meet our needs, conform to security requirements, and provide a cost effective alternative to leasing as rental costs continue to escalate.

The Executive Office has taken steps to ensure that organizations that have their own OE budgets contribute funds for services rendered when appropriate. Additionally we have reviewed all our PSC service contracts, in conjunction with RFMC, both project and OE funded, and have taken appropriate measures to ensure that costs for services are reimbursed and/or budgeted as and when services are rendered, such as motor pool services, office space, secretarial support, utilities, and office supplies. Additionally we have taken steps to ensure that the Mission maintains a separation of project and OE funded support activities.

The medical unit at the Embassy has recently demonstrated through an analysis of drinking water in Nairobi that many areas of the city have high fluoride content in the water, as well as unpredictable contaminations that occur in the pipes during periods of rain or due to a lack of monitoring by local authorities when chemicals are added to the city water supply. The purchase of water distillation units is considered a priority for purchase and installation in residences located in affected areas.

USAID/Kenya continues to operate with a personnel ceiling of 25 US Direct Hire employees, of which four are in the Executive Office which provides essential admin services to the five organizations (USAID/Kenya, REDSO/ESA, RFMC, RIG/A, RIG/I with 70 USDH & 30 U.S. PSC employees) that form the Kenya Complex. The C&R Supervisor position was converted to a GSO training position which will end in FY-89. The Executive Office has also provided daily backstopping to other USAIDs in the region in the form of travel assistance, procurement, training, regional conference/workshop assistance, and short term temporary duty assistance. These essential services will continue during the course of the coming years. This year the Mission will lose the Personnel Officer who has been on an excursion tour and we have not yet replaced the PSC GSO who departed in August 1986. The continued demands for administrative support will make it necessary to fill these positions with personal service contracts. The Mission anticipates receiving an administrative IDI (12 months) during the course of the fiscal year who will provide short term assistance, but due to the overall general exposure that is encompassed in this type of training program, the person will not provide substantive long term administrative relief from an ongoing and increasing work load. In short there has been a coming of age, a semi-formal development, of a USAID regional administrative support office.

B. TRUST FUND

The sum of \$1.3 million in local currency was provided for the Trust Fund by March 1, 1987. This amount will cover certain O.E. costs for the last two quarters of FY 87 and the first two quarters of FY 88. The monies for the Trust Fund were not available until March 1987 since the proceeds from the FY 1986 ESF Fertilizer Import Program were not generated until that date. FY 1986 was the crucial year of agreement with the government on the establishment of a Trust Fund to help offset the cost of operating the USAID/Kenya Mission.

Under the terms of the FY 1987 Structural Adjustment Assistance Program (615-0240) Agreement ESF, signed on May 15, 1987, the sum of \$1.8 million in local currency will be provided for the Trust Fund. The local currency, to be generated from fertilizer imports and sales, is expected to be deposited by March 1, 1988. It will cover certain Mission costs for the last two quarters of FY 1988 and the first two quarters of FY 1989. As our Trust Fund needs increased by \$500,000 between FY 1986 and FY 1987, we anticipate another increase because of rising rental costs, etc, in FY 1988. Based on these expectations, we plan to ask the GOK for an increase in using local currency funds for the Trust account to \$2.2 million during negotiations of the FY 1988 ESF Program.

C. JUSTIFICATION FOR FUNDING CHANGES

FY-88

--Office rent increases; costs associated with moving; and the acquisition of land to construct a new office building.

--Funds to cover escalating residential costs as well as to enter into lease-purchase agreements for up to 30 single unit residences.

--Purchase of water distillation units for residential use to solve problems with excessive chemical contamination in the drinking water.

--Purchase of a forklift truck for our warehouse crews to store, retrieve and move property.

--PSC increases for administrative support staff to meet demand for services by the USAID organizations in Nairobi and the Missions in East and Southern Africa.

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TABLE VIII - FY 1987
 ORGANIZATION USAID/KENYA
 (\$000)

EXPENSE CATEGORY	FUNCTION CODE	DOLLARS	TRUST FUNDS	TOTAL	UNITS
U.S. DIRECT HIRE	U100	2107.7	0.0	2107.7	
*U.S. FULL TIME BASIC PAY	U101	1370.0	0.0	1370.0	25.0
*U.S. PART TIME BASIC PAY	U102	0.0	0.0	0.0	
DIFFERENTIAL PAY	U103	0.0	0.0	0.0	
OTHER AID/W FUNDED CODE 11	U104	0.0	0.0	0.0	
OTHER MISSION FUNDED CODE 11	U105	0.0	0.0	0.0	
*EDUCATION ALLOWANCE	U106	127.0	0.0	127.0	22.0
RETIREMENT	U107	93.0	0.0	93.0	
COST OF LIVING ALLOWANCES	U108	0.0	0.0	0.0	
OTHER AID/W FUNDED CODE 12	U109	43.2	0.0	43.2	
OTHER MISSION FUNDED 12	U110	14.1	0.0	14.1	
*POST ASSIGNMENT TRAVEL	U111	45.7	0.0	45.7	10.0
*POST ASSIGNMENT FREIGHT	U112	152.0	0.0	152.0	10.0
*HOME LEAVE TRAVEL	U113	87.5	0.0	87.5	11.0
*HOME LEAVE FREIGHT	U114	59.5	0.0	59.5	11.0
*EDUCATION TRAVEL	U115	7.9	0.0	7.9	4.0
*R AND R TRAVEL	U116	91.8	0.0	91.8	62.0
*OTHER CODE 215 TRAVEL	U117	16.0	0.0	16.0	10.0
FOREIGN NATIONAL DIRECT HIRE	U200	225.2	0.0	225.2	
*F.N. BASIC PAY	U201	192.0	0.0	192.0	21.5
*OVERTIME, HOLIDAY PAY	U202	18.5	0.0	18.5	0.5
ALL OTHER CODE 11 - F.N.	U203	5.2	0.0	5.2	
ALL OTHER CODE 12 - F.N.	U204	8.0	0.0	8.0	
BENEFITS - FORMER FN PERSONNEL	U205	1.5	0.0	1.5	
CONTRACT PERSONNEL	U300	376.1	184.5	560.6	
*PASA TECHNICIANS	U301	0.0	0.0	0.0	
*U.S. PSC-SALARY/BENEFITS	U302	149.5	0.0	149.5	7.8
ALL OTHER U.S. PSC COSTS	U303	0.0	0.0	0.0	
*F.N. PSC-SALARY/BENEFITS	U304	224.6	99.5	324.1	53.0
ALL OTHER F.N. PSC COSTS	U305	2.0	0.0	2.0	
*MANPOWER CONTRACTS	U306	0.0	85.0	85.0	54.0
HOUSING <u>1/</u>	U400	961.4	281.5	1242.9	
*RESIDENTIAL RENT	U401	472.5	203.5	676.0	62.3
RESIDENTIAL UTILITIES	U402	121.5	28.5	150.0	
MAINTENANCE AND RENOVATION	U403	112.5	0.0	112.5	
*QUARTERS ALLOWANCE	U404	0.0	0.0	0.0	
RESIDENTIAL FURNITURE/EQUIP	U405	56.1	0.0	56.1	
TRANS/FREIGHT - CODE 311	U406	40.8	0.0	40.8	
*SECURITY GUARD SERVICES	U407	156.0	49.5	205.5	130.0
OFFICIAL RESIDENCE ALLOWANCE	U408	0.0	0.0	0.0	
REPRESENTATIONAL ALLOWANCE	U409	2.0	0.0	2.0	

TABLE VIII - FY 1987

ORGANIZATION USAID/KENYA
(\$000)
(CONTINUED)

EXPENSE CATEGORY	FUNCTION CODE	DOLLARS	TRUST FUNDS	TOTAL	UNITS
OFFICE OPERATIONS ^{1/}	U500	1435.8	134.0	1569.8	
OFFICE RENT	U501	296.6	97.4	394.0	
OFFICE UTILITIES	U502	21.6	0.0	21.6	
BUILDING MAINT/RENOVATION	U503	35.0	0.0	35.0	
OFFICE FURNITURE/EQUIPMENT	U504	34.0	0.0	34.0	
VEHICLES	U505	0.0	0.0	0.0	
OTHER EQUIPMENT	U506	32.2	0.0	32.2	
TRANSPORTATION/FREIGHT	U507	11.0	0.0	11.0	
FURN/EQUIP/VEH REPAIR/MAINT	U508	209.1	0.0	209.1	
COMMUNICATIONS	U509	72.0	18.0	90.0	
*SECURITY GUARD SERVICES	U510	80.0	0.0	80.0	21.0
PRINTING	U511	4.0	0.0	4.0	
*SITE VISITS - MISSION	U513	27.0	0.0	27.0	95.0
*SITE VISITS - AID/W	U514	40.0	0.0	40.0	6.0
*INFORMATION MEETINGS	U515	6.0	0.0	6.0	2.0
*TRAINING ATTENDANCE	U516	19.1	0.0	19.1	6.0
*CONFERENCE ATTENDANCE	U517	19.5	0.0	19.5	4.0
*OTHER OPERATIONAL TRAVEL	U518	17.2	0.0	17.2	7.0
SUPPLIES AND MATERIALS	U519	221.3	18.6	239.9	
FAAS	U520	200.0	0.0	200.0	
CONTRACT CONSULTING SERVICES	U521	19.7	0.0	19.7	
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	70.5	0.0	70.5	
TOTAL OPERATING EXPENSE BUDGET		5106.2	600.0	5706.2	
RECONCILIATION		1706.2	0.0	1706.2	
OPERATING BUDGET REQUIREMENTS		3400.0	600.0	4000.0	
636 (C) REQUIREMENTS	U601	0.0	0.0	0.0	
TOTAL ALLOWANCE REQUIREMENTS	U000	3400.0	600.0	4000.0	

OTHER INFORMATION

DOLLAR REQUIREMENTS FOR LOCAL CURRENCY PURCHASES 2500.0
EXCHANGE RATE USED (AVERAGE RATE FOR FY 86/87) \$ 1.00 = KES 16.00

^{1/} Includes subject housing and office costs for both RSDSO and RFMC for all years.

TABLE VIII - FY 1988
 ORGANIZATION USAID/KENYA
 (\$000)

EXPENSE CATEGORY	FUNCTION CODE	DOLLARS	TRUST FUNDS	TOTAL	UNITS
U.S. DIRECT HIRE	U100	2125.2	0.0	2125.2	
*U.S. FULL TIME BASIC PAY	U101	1370.0	0.0	1370.0	25.0
*U.S. PART TIME BASIC PAY	U102	0.0	0.0	0.0	
DIFFERENTIAL PAY	U103	0.0	0.0	0.0	
OTHER AID/W FUNDED CODE 11	U104	0.0	0.0	0.0	
OTHER MISSION FUNDED CODE 11	U105	0.0	0.0	0.0	
*EDUCATION ALLOWANCE	U106	179.0	0.0	179.0	28.0
RETIREMENT	U107	93.0	0.0	93.0	
COST OF LIVING ALLOWANCES	U108	0.0	0.0	0.0	
OTHER AID/W FUNDED CODE 12	U109	43.2	0.0	43.2	
OTHER MISSION FUNDED 12	U110	12.0	0.0	12.0	
*POST ASSIGNMENT TRAVEL	U111	55.5	0.0	55.5	7.0
*POST ASSIGNMENT FREIGHT	U112	123.0	0.0	123.0	7.0
*HOME LEAVE TRAVEL	U113	74.5	0.0	74.5	7.0
*HOME LEAVE FREIGHT	U114	72.5	0.0	72.5	7.0
*EDUCATION TRAVEL	U115	13.5	0.0	13.5	2.0
*R AND R TRAVEL	U116	66.0	0.0	66.0	41.0
*OTHER CODE 215 TRAVEL	U117	23.0	0.0	23.0	12.0
FOREIGN NATIONAL DIRECT HIRE	U200	277.6	0.0	277.6	
*F.N. BASIC PAY	U201	242.0	0.0	242.0	22.0
*OVERTIME, HOLIDAY PAY	U202	21.3	0.0	21.3	0.5
ALL OTHER CODE 11 - F.N.	U203	5.0	0.0	5.0	
ALL OTHER CODE 12 - F.N.	U204	9.3	0.0	9.3	
BENEFITS - FORMER FN PERSONNEL	U205	0.0	0.0	0.0	
CONTRACT PERSONNEL	U300	205.3	530.2	735.5	
*PASA TECHNICIANS	U301	0.0	0.0	0.0	
*U.S. PSC-SALARY/BENEFITS	U302	203.3	0.0	203.3	5.5
ALL OTHER U.S. PSC COSTS	U303	0.0	0.0	0.0	
*F.N. PSC-SALARY/BENEFITS	U304	0.0	395.2	395.2	56.0
ALL OTHER F.N. PSC COSTS	U305	2.0	0.0	2.0	
*MANPOWER CONTRACTS	U306	0.0	135.0	135.0	54.0
HOUSING <u>1/</u>	U400	872.4	601.2	1473.6	
*RESIDENTIAL RENT	U401	519.8	184.8	704.6	62.5
RESIDENTIAL UTILITIES	U402	0.0	180.0	180.0	
MAINTENANCE AND RENOVATION	U403	123.7	0.0	123.7	
*QUARTERS ALLOWANCE	U404	0.0	0.0	0.0	
RESIDENTIAL FURNITURE/EQUIP	U405	135.1	0.0	135.1	
TRANS/FREIGHT - CODE 311	U406	91.8	0.0	91.8	
*SECURITY GUARD SERVICES	U407	0.0	236.4	236.4	130.0
OFFICIAL RESIDENCE ALLOWANCE	U408	0.0	0.0	0.0	
REPRESENTATIONAL ALLOWANCE	U409	2.0	0.0	2.0	

TABLE VIII - FY 1988

ORGANIZATION USAID/KENYA
(\$000)
(CONTINUED)

EXPENSE CATEGORY	FUNCTION CODE	DOLLARS	TRUST FUNDS	TOTAL	UNITS
OFFICE OPERATIONS <u>1/</u>	U500	1558.7	468.6	2027.3	
OFFICE RENT	U501	0.0	441.0	441.0	
OFFICE UTILITIES	U502	26.0	0.0	26.0	
BUILDING MAINT/RENOVATION	U503	38.5	0.0	38.5	
OFFICE FURNITURE/EQUIPMENT	U504	117.2	0.0	117.2	
VEHICLES	U505	0.0	0.0	0.0	
OTHER EQUIPMENT	U506	230.0	0.0	230.0	
TRANSPORTATION/FREIGHT	U507	30.6	0.0	30.6	
FURN/EQUIP/VEH REPAIR/MAINT	U508	230.0	0.0	230.0	
COMMUNICATIONS	U509	108.0	0.0	108.0	
*SECURITY GUARD SERVICES	U510	92.0	0.0	92.0	21.0
PRINTING	U511	5.0	0.0	5.0	
*SITE VISITS - MISSION	U513	2.2	27.6	29.8	100.0
*SITE VISITS - AID/W	U514	27.5	0.0	27.5	5.0
*INFORMATION MEETINGS	U515	6.6	0.0	6.6	2.0
*TRAINING ATTENDANCE	U516	21.0	0.0	21.0	6.0
*CONFERENCE ATTENDANCE	U517	24.5	0.0	24.5	5.0
*OTHER OPERATIONAL TRAVEL	U518	18.3	0.0	18.3	7.0
SUPPLIES AND MATERIALS	U519	292.6	0.0	292.6	
FAAS	U520	200.0	0.0	200.0	
CONTRACT CONSULTING SERVICES	U521	21.7	0.0	21.7	
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	67.0	0.0	67.0	
TOTAL OPERATING EXPENSE BUDGET		5039.2	1600.0	6639.2	
RECONCILIATION		1706.2	0.0	1706.2	
OPERATING BUDGET REQUIREMENTS		3333.0	1600.0	4933.0	
636 (C) REQUIREMENTS	U601	0.0	0.0	0.0	
TOTAL ALLOWANCE REQUIREMENTS	U000	3333.0	1600.0	4933.0	

OTHER INFORMATION

DOLLAR REQUIREMENTS FOR LOCAL CURRENCY PURCHASES	2848.0
EXCHANGE RATE USED (AVERAGE RATE FOR FY 86/87)	\$ 1.00 = KS 16.00
ESTIMATED INFLATION RATE	7.0%

TABLE VIII - FY 1989
 ORGANIZATION USAID/KENYA
 (\$000)

EXPENSE CATEGORY	FUNCTION CODE	DOLLARS	TRUST FUNDS	TOTAL	UNITS
U.S. DIRECT HIRE	U100	2220.2	0.0	2220.2	
*U.S. FULL TIME BASIC PAY	U101	1370.0	0.0	1370.0	25.0
*U.S. PART TIME BASIC PAY	U102	0.0	0.0	0.0	
DIFFERENTIAL PAY	U103	0.0	0.0	0.0	
OTHER AID/W FUNDED CODE 11	U104	0.0	0.0	0.0	
OTHER MISSION FUNDED CODE 11	U105	0.0	0.0	0.0	
*EDUCATION ALLOWANCE	U106	256.0	0.0	256.0	
RETIREMENT	U107	93.0	0.0	93.0	
COST OF LIVING ALLOWANCES	U108	0.0	0.0	0.0	
OTHER AID/W FUNDED CODE 12	U109	43.2	0.0	43.2	
OTHER MISSION FUNDED 12	U110	9.0	0.0	9.0	
*POST ASSIGNMENT TRAVEL	U111	58.5	0.0	58.5	8.0
*POST ASSIGNMENT FREIGHT	U112	138.0	0.0	138.0	8.0
*HOME LEAVE TRAVEL	U113	85.5	0.0	85.5	15.0
*HOME LEAVE FREIGHT	U114	49.5	0.0	49.5	15.0
*EDUCATION TRAVEL	U115	9.0	0.0	9.0	4.0
*R AND R TRAVEL	U116	85.5	0.0	85.5	46.0
*OTHER CODE 215 TRAVEL	U117	23.0	0.0	23.0	12.0
FOREIGN NATIONAL DIRECT HIRE	U200	318.2	0.0	318.2	
*F.N. BASIC PAY	U201	278.0	0.0	278.0	22.0
*OVERTIME, HOLIDAY PAY	U202	24.5	0.0	24.5	0.5
ALL OTHER CODE 11 - F.N.	U203	5.0	0.0	5.0	
ALL OTHER CODE 12 - F.N.	U204	10.7	0.0	10.7	
BENEFITS - FORMER FM PERSONNEL	U205	0.0	0.0	0.0	
CONTRACT PERSONNEL	U300	138.0	610.6	748.6	
*PASA TECHNICIANS	U301	0.0	0.0	0.0	
*U.S. PSC-SALARY/BENEFITS	U302	136.0	0.0	136.0	4.5
ALL OTHER U.S. PSC COSTS	U303	0.0	0.0	0.0	
*F.N. PSC-SALARY/BENEFITS	U304	0.0	454.6	454.6	56.0
ALL OTHER F.N. PSC COSTS	U305	2.0	0.0	2.0	
*MANPOWER CONTRACTS	U306	0.0	156.0	156.0	54.0
HOUSING <u>1/</u>	U400	1236.1	535.3	1771.4	
*RESIDENTIAL RENT	U401	430.1	313.3	743.4	63.0
RESIDENTIAL UTILITIES	U402	0.0	216.0	216.0	
MAINTENANCE AND RENOVATION	U403	135.9	0.0	135.9	
*QUARTERS ALLOWANCE	U404	0.0	0.0	0.0	
RESIDENTIAL FURNITURE/EQUIP	U405	231.4	0.0	231.4	
TRANS/FREIGHT - CODE 311	U406	170.8	0.0	170.8	
*SECURITY GUARD SERVICES	U407	265.9	6.0	271.9	130.0
OFFICIAL RESIDENCE ALLOWANCE	U408	0.0	0.0	0.0	
REPRESENTATIONAL ALLOWANCE	U409	2.0	0.0	2.0	

TABLE VIII - FY 1989
 ORGANIZATION USAID/KENYA
 (\$000)
 (CONTINUED)

EXPENSE CATEGORY	FUNCTION CODE	DOLLARS	TRUST FUNDS	TOTAL	UNITS
OFFICE OPERATIONS <u>1/</u>	U500	1418.7	854.1	2272.8	
OFFICE RENT	U501	0.0	464.0	464.0	
OFFICE UTILITIES	U502	0.0	31.2	31.2	
BUILDING MAINT/RENOVATION	U503	0.0	42.4	42.4	
OFFICE FURNITURE/EQUIPMENT	U504	146.5	0.0	146.5	
VEHICLES	U505	52.8	0.0	52.8	
OTHER EQUIPMENT	U506	250.0	0.0	250.0	
TRANSPORTATION/FREIGHT	U507	53.1	0.0	53.1	
FURN/EQUIP/VEH REPAIR/MAINT	U508	253.0	0.0	253.0	
COMMUNICATIONS	U509	49.2	80.4	129.6	
*SECURITY GUARD SERVICES	U510	0.0	105.8	105.8	
PRINTING	U511	5.0	0.0	5.0	
*SITE VISITS - MISSION	U513	2.4	30.3	32.7	160.0
*SITE VISITS - AID/W	U514	30.3	0.0	30.3	6.0
*INFORMATION MEETINGS	U515	7.3	0.0	7.3	2.0
*TRAINING ATTENDANCE	U516	23.1	0.0	23.1	6.0
*CONFERENCE ATTENDANCE	U517	26.7	0.0	26.7	5.0
*OTHER OPERATIONAL TRAVEL	U518	19.5	0.0	19.5	7.0
SUPPLIES AND MATERIALS	U519	203.1	100.0	303.1	
FAAS	U520	200.0	0.0	200.0	
CONTRACT CONSULTING SERVICES	U521	23.9	0.0	23.9	
CONTRACT INST/PROF. SERVICES	U522	0.0	0.0	0.0	
SPECIAL STUDIES/ANALYSES	U523	0.0	0.0	0.0	
ALL OTHER CODE 25	U524	72.8	0.0	72.8	
TOTAL OPERATING EXPENSE BUDGET		5331.2	2000.0	7331.2	
RECONCILIATION		1706.2	0.0	1706.2	
OPERATING BUDGET REQUIREMENTS		3625.0	2000.0	5625.0	
636 (C) REQUIREMENTS	U601	0.0	0.0	0.0	
TOTAL ALLOWANCE REQUIREMENTS	U000	3625.0	2000.0	5625.0	

OTHER INFORMATION

DOLLAR REQUIREMENTS FOR LOCAL CURRENCY PURCHASES	3155.0
EXCHANGE RATE USED (AVERAGE RATE FOR FY 86/87)	\$ 1.00 = KS 16.00
ESTIMATED INFLATION RATE	5.0%

Organization USAID/Kenya

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

<u>Job Title</u> <u>Position Description</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Program Secretary	23.0 (5/87-4/88)	24.4 (5/88-4/89)	25.9 (5/89-4/90)
Management Specialist	41.0 (9/87-8/88)	43.5 (9/88-8/89)	46.1 (9/89-8/90)
3 Graduate Interns	33.3 (9/87-10/88)	-	-
Administrative Asst.	21.0 (4/87-3/88)	22.3 (4/88-3/89)	23.6 (4/89-3/90)
Administrative Aide	5.8 (10/86-1/87)	16.9 (10/87-9/88)	17.9 (10/88-9/89)
C & R Supervisor	5.4 (3/87-6/87)	-	-
(Replacement)	20.0 (6/87-5/88)	21.1 (6/88-5/89)	22.5 (6/89-5/90)
Assistant General Services Officer	-	75.0 (12/87-1/89)	-
Total for U302	149.5	203.3	236.0

Organization USAID/Kenya

TABLE VIII (b)
Manpower Contract Detail

<u>Description</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Warehouse Crew	39.0 (26 workyears)	62.1 (26 workyears)	71.7 (26 workyears)
Cleaning Crew	26.4 (18 workyears)	41.8 (18 workyears)	48.3 (18 workyears)
Inventory Assistants	4.3 (2 workyears)	6.8 (2 workyears)	7.8 (2 workyears)
Office Clerks	3.4 (2 workyears)	5.4 (2 workyears)	6.3 (2 workyears)
Secretary	3.4 (1 workyears)	5.4 (1 workyears)	6.3 (1 workyears)
Communications/Records clerks	8.5 (5 workyears)	13.5 (5 workyears)	15.6 (5 workyears)
Total for U306	85.0	135.0	156.0

Organization USAID/Kenya

TABLE VIII (b)
All Other Code 25 Detail

<u>Description</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Computer Training	20.0 (10/86-9/87)	15.0 (10/87-5/88)	12.0
Management Skills Training	5.3 (10/86-11/86)	-	-
Medical Services, USDH (Various vendors)	20.0 (10/86-9/87)	22.0 (10/87-9/88)	24.2 10/88-9/89)
Medical Services,FSW	2.0 (10/86-9/87)	2.0 (10/87-9/88)	2.0 (10/88-9/89)
Miscellaneous Contractual Services	15.0 (10/86-9/87)	18.0 (10/87-9/88)	21.6
Language and Secretarial Training	7.7 (10/86-9/87)	10.0 (10/87-9/88)	13.0 (10/88-9/89)
Total for U524	70.0	67.0	72.8

INFORMATION TECHNOLOGY NARRATIVE TABLE VIII (C)

AUTOMATED SYSTEMS: The Mission's Wang VS-100, VS-65 and numerous microcomputers are heavily utilized in support of Kenya specific and regional applications. Currently the two systems have a total of 8MB of main memory and 1.5 Giga Bytes of external data storage capacity in the form of magnetic disk drives. Eighty five percent of the disk space is used up to support mission's daily operations which include the support given to about 15 other missions in the region. These automated systems insure continued efficiency and productivity improvements in the face of an ever-increasing workload.

Since the initial installation of a Wang VS minicomputer in March 1982 the Mission has developed and, or installed the following automated systems (in order of importance):

- A.1 Mission Accounting and control systems (MACS for Dollar Appropriations
- A.2 Mission Accounting and Control system for Trust Funds
- A.3 Mission Accounting and control systems for Memorandum Accounts
- A.4 DATEL
- A.5 PAYTRACK
- A.6 Combined US PSC/FSN PSC Payroll
- A7. Paris reconciliation
- B.1 Word Processing
- C.1 Workload scheduling system
- C.2 Personnel management system
- C.3 Participants training system
- C.4 GSO Property maintenance system
- D.1 Automated equipment inventory
- D.2 Computer maintenance log
- D.3 Cable Tracking system

Numerous proprietary software packages have been installed on the Mission's computer systems: The VS Systems have WP Plus, Charter graphics, Wang system networking. Spelling verifiers Word processing, Batch and TTY telecommunications installed. The microcomputer systems have IBM PCDOS, Wang MSDOS, CP/M, Wang integrated word processing, Wordstar, Multimate, Multiplan, Lotus 1-2-3, dBase II, dBase III TK: Solver, Microstat, SL Micro, PC/VS Data Exchange, Norton utilities, Sidekick, Batch and TTY Telecommunications installed. The twenty Eight Mission has installed to date five IBM PC's, Wang PC's, five Apple IIE;s, Six HP-110 and two Radio Shack TRS80's.

AUTOMATION STRATEGY: The mission has adopted a strategy of achieving its management objectives through the effective application of automation tools. Advances in automation technology (e.g. telecommunications, graphics, portable microcomputers, laser printing systems, mass storage devices, etc.) will be acquired and utilized to insure continued productivity improvements.

A. Presently the Mission's highest priority information processing needs are:

- - Development of MACS/FMS Nairobi 1221 reconciliation
- - Development of an automated form 1166
- - Development of a MACS Sub-system to produce graphic reports for Mission management and client posts;
- - Installation and operation of a high speed data line with AID/W;
- - Installation of telecommunication equipment in client posts and development of operation procedures to facilitate transfer of information between Nairobi and client posts and between client posts and AID/W;
- - Networking the VS-65 and VS-100 systems to facilitate device sharing and file transfer;
- - Developing and installation of a project management system;
- - Expansion of the training program for professionals to include microcomputer applications using Lotus 1-2-3, project management software, dBase III and dBase III plus
- - installation of MICRODIS
- - installation of FARAPLUS, and many more.

- B. Computer operation and system development are the responsibility of the Data Management Branch within the Regional Financial Management Center (RFMC/DM). Data Management staff are under the direct supervision of a PSC Systems Administrator. The allocation of automation equipment and resources between the USAID and the four regional offices is handled by the Data Management Subcommittee of the Management and Budget Committee.
- C. The Mission has trained all secretarial staff and most of the professional staff in standard WP and more recently WP Plus. The Mission has begun a training program for microcomputer users that will cover all AID standard software packages and will result in nearly all professional and clerical staff being trained in one or more software packages, e.g. LOTUS 1-2-3, DBASE III, Time line MSDOS.

The Mission has begun a microcomputer users group to facilitate the sharing of information and automation applications.

- D. The Mission will continue to provide computer-based financial management and accounting services throughout East and Southern Africa. A major initiative in the coming year will be the development and use of project management software to assist Mission staff in project design and implementation. This effort will integrate HACS data into regular project review reports and provide graphic aids to assist staff in project monitoring and implementation.
- E. RFMC/DM conducts regular informal review with Mission management to evaluate the effectiveness of the automation program.

HARDWARE PROCUREMENT PLAN: The ADP procurement plan reflects the increased penetration and utilization of automated technologies and systems in all phases of Mission operations by both clerical and professional staff. Items to be procured are considered enhancements to the Missions existing equipment base. Increased equipment utilization has also been achieved through an active training program. However due to this increased equipment utilization, the mission's demand for and reliance on ADP equipment and software has steadfastly outstripped the current mission's ADP resources, to the extent that mission is planning the following major upgrades:

- Upgrade total disk space currently on the VS 65 from 3.15 MB to 684 MB
- Upgrade total device capacity currently on the VS 65 from a 64 to 190.

TABLE VIII(C) (CONTINUED)
(\$000)

ITEM AND EXPLANATION	<u>FY 1987</u>	<u>FY 1983</u>	<u>FY 1989</u>
2. <u>Personnel</u>			
Mission will provide requirements below for personnel involved in the information technology functions, such as systems development and operation, and the percentage of management and secretarial personnel also involved. personnel that use systems will not be included.			
<u>A. Compensation, Benefits and Travel</u>			
			Personnel costs are included in RFMC/Kenya budget.
<u>B. Workyears</u>			
<hr/>			
3. <u>Equipment Rental, Space and Other Operating Costs</u>			
<u>A. Lease of Equipment</u>			
Obligations for lease and maintenance of non-government owned equipment (rented equipment)			
<u>B. Space</u>			
Obligation for lease of space to house automation equipment, office space for personnel (direct-hire and contractor) involved in the information technology function (see 2A9B) including basic utilities and house keeping services.			
<u>C. Supplies and other</u>			
Obligations for supplies and software rental (not included in a rental contract for equipment)	60.0	65.0	67.0

TABLE VIII(C) CONTINUED)
(\$000)

ITEM AND EXPLANATION	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
D. <u>Non Commercial Training</u>			
Obligations for planning and conducting government operated training to prepare users to make effective use of automation resources.			
SUBTOTAL	60.0	65.0	67.0

4. Commercial Services

This includes obligation for services where payments are made to private industry.

A. Computer Time

Obligations to fund contract with a private firm to provide computer time to the Mission.

B. Leased Telecommunications Services

Obligations for leased telephone lines and other telecommunication services to obtain data from other computers or to transmit data. For Missions, where applicable include, but identify separately, the lease of local telephone lines and modems to reach the American Embassy's office of Communications for the purpose of the transmission of data to and from AID/W.	6.0	7.0	8.0
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TABLE VIII(C) (CONTINUED)
(5000)

ITEM AND EXPLANATION

	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>	
C. <u>Operating and Maintenance</u>				
(1) <u>Operations</u>				
Include funds to be obligated for contractor services to operate a WANG VS computer of an OIS System (system administrator and staff, not workstation operators).				
(2) <u>Maintenance</u>				
Include obligations for contracts to maintain government-owned equipment (hardware) and software that is currently in place and that to be acquired in 1A and 1B above.	160.0	130.0	200.0	
D. <u>Systems Analysis and Programming</u>				
Obligations for contractor services to design and program new ADP or OIS application systems and to maintain existing systems/				
E. <u>System Design and Engineering</u>				
Not required by AID Missions				
F. <u>Studies and Other</u>				
Obligations for management and feasibility studies, requirement definitions and commercial training	3.5	4.0	4.0	
	SUBTOTAL	169.5	191.0	212.0
<hr/>				
5. TOTAL DOLLARS Workyears	385.5	403.0	429.0	

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

<u>Pos no.</u>	<u>Position Title</u>	<u>Program Management 1/ Responsibility</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
6151012	Mission Director	None	1	1	1
6151024	Dep Mission Director	None	1	1	1
6151037	Secretary	None	.8	1	1
6152014	Sup Program Officer	None	1	1	1
6152019	Sup Program Officer	615-0510 PD&S 615-0213 ESF	1	1	1
6153033	Program Ecs Officer	None	1	1	1
6153004	Sup Executive Off	None	1	1	1
6153006	Sup Exec Officer	None	1	1	1
6153012	Gen Serv Officer	None	1	.8	
6153014	Personnel Officer	None	--	.4	1
6151040	Sup Gen Dvl Officer	615-0236 PVO Co-Financing 698-0384.6 AMDP II	1	1	1
6151045	Food for Peace Off	PL-480 Title II 698.0506.15 Small Project Assistance	1	1	1
6156007	Sup Agr Dvl Officer	Overall Agriculture Portfolio	1	1	1
6156015	Sup Agr Dvl Officer	615-0230 FY 1984 Agricultural Development Program 615-0213 FY 1985 ESF Structural Adj Program (Fertilizer) 615-0240 FY 1986 ESF Structural Adj Assistance Prog (Fert)	1	1	1

<u>Pos no.</u>	<u>Position Title</u>	<u>Program Management 1/ Responsibility</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
6156025	Agr Devl Officer	615-0169 Agricultural Sector Support Proj (Egerton College Expansion). 615-0190 On-Farm Grain Storage (Agricultural Credit) 615-0205 Renewable Energy Development (Coop Studies & Training)	.7	0	0
6156031	Agr Ecs Officer	615-0172 Arid Semi Arid Lands 615-0213 FY 1985 ESF Structural Adj Program (Resource Mgt for Rural Development).	1	1	1
FSNDH 2/	Prog Spec - Agr	615-0169 Agricultural Systems Support (Egerton TA & Training) 615-0221 Agricultural Management (MOAD Training) 615-0239 Institutional Devel for Agricultural Training	1	1	1
6156035	Agr Dvl Officer	PL 480 Title I	1	1	1
6156040	Agr Dvl Off Agronomy	615-0169 Agricultural System Support (Kiboko Range Res). 615-0180 Drylands Cropping Systems Research. 615-0229 National Agricultural Research. 615-1328 Small Ruminant - CRSP	1	1	1
6157005	Sup Hlth/Pop Dvl Off	(as below, next two positions)	1	1	1
6157010	POP Dvl Officer	615-0187 MSEP 615-0202 SPSS (3 elements) 615-0216 MREF 615-0219 Kitui Four AID/W central projects (9 subprojects)	1	1	1

<u>Pos no.</u>	<u>Position Title</u>	<u>Program Management 1/ Responsibility</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
6157012	POP Dvl Officer	615-0232 FPSS (6 elements) 615-0165 PSRI 615-0223 FPPS Five AID/W central Projects (17 Subprojects)	1	1	1
6158005	Sup Proj Dvl Officer	Overall Private Sector Portfolio	1	1	1
6158008	Sup Proj Dvl Officer	615-0220 Rural Private Enterprise	1	1	1
6158010	Project Dvl Officer	615-0240 Structural Adjustment Program	1	1	1
6158013	Project Dvl Officer	None	1	1	1
6158020	Project Dvl Officer	Private Development Portfolio 615-0220 Rural Private Enterprise 615-0238 Private Enterprise Development	1	1	1

1/ Defined here as Project Management Responsibility

2/ Though FSNDH, performs Project Management Functions

TABLE VIII (e)

Organization USAID Kenya

<u>BACK STOP</u>	<u>POSITION TITLE/TRAINING COMPLETION DATE</u>	<u>FY 87</u>	<u>FY 88</u>	<u>FY 89</u>
11	IDI Economist	0.1	1.0	0.0
03	IDI Management	0.0	0.6	0.4

ANNEX J
 FY 88 ANNUAL BUDGET SUBMISSION
 TABLE VIII (F) INFORMATION ON FOREIGN AND THIRD
 COUNTRY NATIONAL STAFFING

<u>FSN/FCN</u>	<u>DESCRIPTIVE JOB TITLE</u>	<u>FY 87</u>	<u>FY 88</u>	<u>FY 89</u>
FSN PSC	Program Assistant O/D	0	1.0	1.0
FSN DH	Program Spec. Gen. (Prog Off)	0	1.0	1.0
FSN DH	Program Spec. Gen. (Prog Off)	1.0	1.0	1.0
FSN PSC	Program Spec. Econ. (Prog Off)	1.0	1.0	1.0
FSN PSC	Secretary (Program Off)	1.0	1.0	1.0
FSN PSC	Secretary (Exec Off)	1.0	1.0	1.0
FSN PSC	Receipt/Tel Oper. (EXO)	1.0	1.0	1.0
FSN PSC	Switchboard Oper. (EXO)	1.0	1.0	1.0
FSN PSC	Trng Career Dev Spclst (EXO)	1.0	1.0	1.0
FSN DH	Personnel Specialist (PER)	1.0	1.0	1.0
FSN DH	Personnel Clerk (PER)	1.0	1.0	1.0
FSN PSC	Secretary (PER)	1.0	1.0	1.0
FSN PSC	Secretary (PER)	1.0	1.0	1.0
FSN PSC	Secretary (PER)	.5	1.0	1.0
FSN DH	General Serv Spec (GSO)	1.0	1.0	1.0
FSN DH	Purchasing Agent (GSO)	1.0	1.0	1.0
FSN DH	Procurement Clerk (GSO)	1.0	1.0	1.0
FSN DH	Shipment Assist (GSO)	1.0	1.0	1.0
FSN DH	Customs Expeditor (GSO)	1.0	1.0	1.0
FSN DH	General Serv Clerk (GSO)	1.0	1.0	1.0
FSN DH	Vouch Exam/Sub Cashier (GSO)	1.0	1.0	1.0
FSN DH	Supply Supervisor (GSO)	1.0	1.0	1.0
FSN DH	Storekeeper (GSO)	1.0	1.0	1.0
FSN DH	Maintenance Sup (GSO)	1.0	1.0	1.0
FSN PSC	Secretary (GSO)	1.0	1.0	1.0
FSN PSC	Shipment Assistant (GSO)	1.0	1.0	1.0
FSN PSC	Supply Clerk (GSO)	1.0	1.0	1.0
FSN PSC	Storekeeper (GSO)	1.0	1.0	1.0
FSN PSC	Clerk/Typist (GSO)	0	1.0	1.0
FSN PSC	Procurement Agency (GSO)	1.0	1.0	1.0
FSN PSC	Computer Programmer (GSO)	1.0	1.0	1.0
FSN PSC	Motor Pool Supervr (GSO)	1.0	1.0	1.0
FSN PSC	Chauffeurs (GSO)	17.0	17.0	17.0
FSN PSC	GSO Mgnt Trainee (GSO)	1.0	1.0	1.0
FSN PSC	CSO Mgnt Trainee (GSO)	1.0	1.0	1.0
FSN DH	C&R Supervisor (EXO)	1.0	1.0	1.0
FSN PSC	C&R Mgt Clk (EXO)	1.0	1.0	1.0
FSN PSC	Offset Press Oper (EXO)	1.0	1.0	1.0
FSN PSC	Mail Clerk (EXO)	1.0	1.0	1.0
FSN PSC	Mail Clerk (EXO)	1.0	1.0	1.0
FSN PSC	File Clerk (EXO)	1.0	1.0	1.0
FSN PSC	C&R Mail Clerk (EXO)	1.0	1.0	1.0
FSN DH	Training Spec (HRD)	1.0	1.0	1.0
FSN PSC	Part Training Asst (GSO)	1.0	1.0	1.0
FSN PSC	Project Spec (HRD)	1.0	1.0	1.0

TABLE VIII (F) INFORMATION ON FOREIGN AND THIRD
COUNTRY NATIONAL STAFFING

<u>FSN/FCN</u>	<u>DESCRIPTIVE JOB TITLE</u>	<u>FY 87</u>	<u>FY 88</u>	<u>FY 89</u>
FSN PSC	Secretary (HRD)	1.0	1.0	1.0
FSN PSC	Secretary (HRD)	1.0	1.0	1.0
FSN PSC	Program Spec Agr (AGR)	1.0	1.0	1.0
FSN PSC	Secretary (AGR)	1.0	1.0	1.0
FSN PSC	Secretary (AGR)	1.0	1.0	1.0
FSN PSC	Secretary (AGR)	1.0	1.0	1.0
FSN PSC	Program Spec (AGR)	0	1.0	1.0
FSN PSC	Secretary (AGR)	1.0	1.0	1.0
FSN PSC	Prog Asst Health (PH)	1.0	1.0	1.0
FSN DH	Program Clerk (PH)	1.0	1.0	1.0
FSN PSC	Secretary (PH)	1.0	1.0	1.0
FSN PSC	Secretary (PH)	1.0	1.0	1.0
FSN PSC	Clerk/Typist (PH)	1.0	1.0	1.0
FSN DH	Prog Spec (Projects) (PROJ)	1.0	1.0	1.0
FSN DH	Priv Sector Spec (PROJ)	1.0	1.0	1.0
FSN PSC	Secretary (PROJ)	1.0	1.0	1.0
FSN PSC	Secretary (PROJ)	1.0	1.0	1.0
FSN PSC	Clerk Stenographer (PROJ)	1.0	1.0	1.0
FSN PSC	Prog Proc Spec (PROJ)	1.0	1.0	1.0
FSN PSC	Clerk Stenographer (PROJ)	1.0	1.0	1.0
FSN PSC	Secretary (PROJ)	1.0	1.0	1.0

Country/Office KENYA

FY 1989 ANNUAL BUDGET SUBMISSION

TABLE XI

P.L. 480 TITLE I/III REQUIREMENTS
(Dollars in Millions, Tonnage in Thousands)

	ACTUAL		ESTIMATED		PROJECTED	
	FY 1987		FY 1988		FY 1989	
	\$	MT	\$	MT	\$	MT
<u>COMMODITIES</u>						
<u>Title I</u> Wheat	8.0	71.0	5.0	46.3	5	46.3
Total						
Of which						
Title III	0.0	0.0	0.0	0.0	0.0	0.0
Total	8.0	71.0	5.0	46.3	5	46.3

COMMENTS:

USAID/Kenya requests that the Title I for FY 1989 be increased from \$5 million to 10.0 million dollars. As shown in Table XIII, the uncovered wheat deficit for FY 1989 is estimated to 184,800 MT (199,800 MT - 15,000 MT provided by EEC and WFP.) The provision of the 10.0 million of Title I in addition to the proposed Section 206 program will result in an estimated 2,000 MT increase above the minimum pipeline requirement of 85,000 MT. Such an increase of 2.4% should not serve as a disincentive for either domestic production or commercial importation. It should also be noted that in FY 1987, a significant breakthrough was made with the agreement to jointly program counterpart generations. The proposed increase in funding level will therefore generate resources necessary to support A.I.D.'s initiatives in agricultural research, faculties of agricultural education, natural resources, and biological diversity. Unless we have a sufficient resource base, one or more of these areas will not be addressed.

FY 1989 ANNUAL BUDGET SUBMISSION

TABLE XII
COUNTRY/OFFICE KENYA
PL 480 TITLE I/III
SUPPLY AND DISTRIBUTION
(000 Metric Ton)

<u>STOCK SITUATION</u>	<u>FY 1988</u>	<u>ESTIMATED FY 1989</u>
Commodity - <u>Wheat</u>		
Beginning Stock	85.0	85.0
Production	237.0	242.3
Imports	233.3	256.9
Concessional	(181.4)	(199.8)
Non-Concessional	(51.9)	(57.1)
Consumption	470.4	499.2
Ending Stocks	85.0	85.0

Commodity - _____
Beginning Stocks
Production
Imports
 Concessional
 Non-Concessional
Consumption
Ending Stocks

Commodity - _____
Beginning Stocks
Production
Imports
 Concessional
 Non-Concessional
Consumption
Ending Stocks

Comments:

1. Demand for wheat has increased 6.5% per annum for the period 1980-87.
2. Domestic Production has increased by an average of 2.5% over 1970-87. High potential land is shifting to maize cultivation as a result of sub-division. Low-yielding land around Narok is being planted to wheat. Result is that 2.5% increase may be optimistic.
3. Commercial Import UMR for 87/88 is 51,900 MT. Given scarcity of foreign exchange, we do not envision commercial imports exceeding 57,100 MT in FY 1989.
4. The deficit to be covered by concessional imports is 184,000 MT in FY 1989 and 199,800 MT. To date only 75,000 MT (including FY 87 Title I of 71,000 MT) is programmed for the FY 1988 consumption year, and 15,000 MT for FY 1989.

P.L. 480 Title II Project Narrative

P.L. 480 grant food aid (Title II, Section 416) is a potentially valuable long-term resource for our development assistance program. It is also a vital short-term resource to use for humanitarian purposes in critical emergencies, such as drought, and other national disasters that cause acute shortages of local food and may lead to famine or serious problems of hunger among members of the local population.

As part of its efforts to put together a new food aid development strategy statement, USAID/Kenya has designed a grant food aid rationale. This rationale is tied to a clearly-designed program and an agreed-upon set of criteria which, intelligently applied, will ensure effective developmental outcomes without creating disincentives or dependency among the local population. To merit USAID/Kenya's support, food-based development assistance proposals must be of an exemplary nature: well-planned, imaginative, and endorsed by the community and host government. All such programs must result in a measurable development impact, and be conducted in consonance with USAID's country development assistance strategy.

Catholic Relief Services

CRS has submitted a revised, multi-year Operational Plan (FY88-FY90) which includes a proposal to monetize part of its Title II food request. Local currency proceeds from the partial monetization will be used to help defray the very high costs of food transport, storage and handling in Kenya as well as to cover ancillary costs and purchase equipment/supplies which complement the CRS Title II development program. CRS also wishes to use more locally available and preferred food in its nutrition and food for work programs. A monetized swap with the National Cereals and Produce Board calls for an exchange of local currency and/or Title II commodities for white maize and beans. CRS will call forward Title II vegetable oil for continued direct distributions.

CRS will continue to supply a nutritional food package for MCH recipients, and will continue food for work activities associated with increasing agricultural production, water development and soil conservation/agroforestry. General relief (emergency) will still be provided to the destitute, elderly, sick, and displaced, but on a reduced scale. The phase-out of institutional feeding (Other Child Feeding) and pre-school feeding has taken place.

CARE

FY89 will be the second year of CARE's P.L. 480 Title II pilot program. Community-level food security will be promoted through increased local food production by creating a productive infrastructure (food storage, water availability and soil conservation) with local self-help labor; increased stability of food supply by establishing an experimental emergency buffer stock/revolving food bank; and increased access to available food through income-generating activities that will build and strengthen local groups and institutions.

A separate collaborative operational research grant between the International Food Policy Research Institute (IFPRI) or similar institution and CARE will monitor and evaluate the progress of the program during the first eighteen months. If the program is successful, a decision will be made to expand the CARE model to other areas of Kenya, thus increasing significantly the level of P.L. 480 food assistance.

CARE's approach is consistent with USAID's objective of using food aid as a development resource to assist the Government in its district focus (decentralization) plans, and with the strengthening of local self-help groups.

Section 206 Program (Title II)

A Section 206 Program is proposed to position USAID/Kenya for a positive response to GOK initiated grain marketing reforms. Record grain harvests in 1985 and 1986 coupled with the National Cereals and Produce Board (NCPB) sole buyer role in the formal market, have clearly illustrated NCPB's inadequacies and resultant large costs to government. We are aware that the GOK is reviewing a series of options that include (1) a greatly reduced role for the NCPB, essentially making it a buyer and seller of last resort, and (2) a greatly increased role for the private sector to directly procure, store, and resell grain. The Mission is also aware that GOK past intentions in the grain marketing area have not always translated into positive action. For this reason any USAID/Kenya Section 206 program would be predicated on positive action by the GOK.

The Mission recommends a three year, \$30 million Title II, Section 206 Program for wheat to begin in FY89 (\$10 million level each year). Justification for wheat revolves around a conservative estimated 2.5 percent annual increase in per capita demand and a 10 percent increase in commercial imports. If the GOK were to meet these targets, it would still need to receive an additional \$16 million of food aid (wheat) in FY89, \$19 million in FY90, and \$21 million in FY91. Because of an

estimated decrease in foreign exchange reserves, the Mission believes the GOK will need to rely heavily on increased concessional and/or grant imports to satisfy the domestic demand for this important Kenya staple.

While an alternative to the Section 206 Program is an increased Title I Program from \$5 million in FY88 to \$15-20 million in FY89 and the out years, the Mission feels justified in proposing a Section 206 Program because (1) the grant element is attractive to the GOK and could result in a marked increase in performance regarding Self-Help Measures and the programming of counterpart shillings; (2) the program permits multi-year programming and draw-downs thus allowing AID increased flexibility to respond to an emergency (security net) and/or to suspend scheduled imports should the GOK not carry through with agreed reforms or have an abnormal market situation. USAID also believes the Section 206 Program will represent a "new start", and permit USAID to directly address many of the outstanding implementation issues.

Funds from the sales of Title II, Section 206 wheat would be programmed in a revolving fund to support the Rural Marketing Development project by (1) enabling the National Cereals and Produce Board, acting as a buyer and seller of last resort, to stabilize producer floor prices; (2) providing the capital to lend to private sector market agents for storage, transport and other costs; and (3) constructing rural market access roads. The utilization of a Title II Section 206 Program is believed to be especially appropriate for the capitalization of a "lean mean" and efficient NCPB and private market agents since the GOK would be reluctant to use loan (even concessional) funding for these activities.

A Section 206 program would reinforce our ongoing On Farm Grain Storage, Agriculture Research, Private Enterprise Development, and ESF Structural Adjustment programs as well as the proposed Rural Marketing Development Project.

The aggregate level provided for Title II in FY 1989 of \$4,040,000 would preclude the \$10,000,000. Section 206 program described above. Since the program is of vital importance to achieving grain marketing reforms, we strongly recommend that AID/Washington consider such a program at the \$10,000,000 level for FY 1989. Accordingly, the accompanying Table XIII shows this level for FY 1989.

2810N

Projected Wheat Supply and Utilization, 1987 - 1992

	Actual FY 87	Estimated FY 88	Projected FY 89	Projected FY 90	Projected FY 91	Projected FY 92
Supply						
Beginning Stocks 1/	54.3	55.0	55.0	55.0	55.0	55.0
Domestic Production 2/	255.0	237.0	241.0	247.0	250.0	251.0
Commercial Imports 3/	133.9	31.9	57.1	21.8	21.0	75.0
Food Aid 4/	28.4	75.0	55.0	55.0	55.0	55.0
Total supply	471.6	448.9	448.1	457.8	481.0	481.0
Utilization						
Exports	0.0	0.0	0.0	0.0	0.0	0.0
Seed Use 5/	5.0	5.5	5.5	5.0	5.0	5.0
Feed 6/ (incl. 6/)	25.1	21.0	21.0	20.0	20.0	20.0
Food Consumption 7/	401.0	398.6	395.6	391.7	391.0	391.0
Per Capita 8/	15.7	14.7	14.6	14.7	14.6	14.7
Total Utilization	431.1	425.1	422.1	416.7	416.0	416.0
Minimum Stock Requirement	55.0	55.0	55.0	55.0	55.0	55.0
Food Demand						
Population (1980) 9/	21,979	22,100	22,200	22,300	22,400	22,500
Per Capita Food Demand (kg) 3/	19.3	19.7	19.7	19.7	19.7	19.7
Total Food Demand (kg) 10/	424.2	435.4	437.3	439.2	440.3	442.2
Consumption Deficit						
Metric Tons	10.5	10.5	10.5	10.5	10.5	10.5
Percentage of Normal	5.7	7.5	4.4	5.0	5.0	5.0
Cost to Finance 11/ (Million)	1.5	2.7	2.0	1.5	2.1	2.2

- Notes: 1/ Beginning Stock is as of October 1, 1987. Minimum requirement of 55.0 million metric tons includes 2 million metric tons of seed.
 2/ Domestic Production for 1988 is based on regression of 1970-1987 data excluding 1987.
 3/ 1987 is derived by surplus/deficit situation. 1988 is 20% of 1987 deficit. 1989 and 1990 are 10% of 1987 deficit. 1991 and 1992 are 5% of 1987 deficit.
 4/ Table 1 Food Aid does not enter wheat supply until the following FY. 1989 and 1990 assumes constant current levels.
 5/ Function of seed demand.
 6/ Data based on 1987 survey.
 7/ Calculated as 100% of population.
 8/ Annual increase in per capita demand for wheat 1980-87 is 2.5%.

FY 1989 ANNUAL BUDGET SUBMISSION

TABLE XIII

PL 4EO TITLE II

I. Country Kenya

Sponsor's Name Ministry of Agriculture,
Government of Kenya

A. Maternal and Child Health.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
_____	_____	_____	_____
_____	_____	_____	_____
Total MCH		_____	_____

B. School Feeding.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
_____	_____	_____	_____
_____	_____	_____	_____
Total School Feeding		_____	_____

C. Other Child FeedingTotal Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
_____	_____	_____	_____
_____	_____	_____	_____
Total Other Child Feeding		_____	_____

D. Food for Work.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
_____	_____	_____	_____
_____	_____	_____	_____
Total Food for Work		_____	_____

E. Other (Specify) Section 206 Program.....Total Recipients -

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
_____	<u>Wheat</u>	<u>84.7</u>	<u>10,000</u>
_____	_____	_____	_____
Total Other		_____	_____

II. Sponsor's Name Ministry of Agriculture,
Government of Kenya (Thousands)

Total mt. : 84.7

Total \$: 10,000

TABLE XIII
PL 480 TITLE II

I. Country Kenya

Sponsor's Name Catholic Relief Services-USCC

A. Maternal and Child Health.....Total Recipients 50.0

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>50.0</u>	<u>Oil</u>	<u>600.0</u>	<u>387.0</u>
<u>Total MCH</u>		<u>600.0</u>	<u>387.0</u>

B. School Feeding.....N/A.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
_____	_____	_____	_____
<u>Total School Feeding</u>		<u>0</u>	_____

C. Other Child FeedingN/A.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
_____	_____	_____	_____
<u>Total Other Child Feeding</u>		<u>0</u>	_____

D. Food for Work.....Total Recipients 2.5

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>2.5</u>	<u>Oil</u>	<u>21.0</u>	<u>13.5</u>
<u>Total Food for Work</u>		<u>21.0</u>	<u>13.5</u>

E. Other (Specify).....General Relief.....Total Recipients 3.0

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>3.0</u>	<u>Oil</u>	<u>36.0</u>	<u>23.2</u>
<u>Total Other</u>		<u>36.0</u>	<u>23.2</u>

II. Sponsor's Name Catholic Relief Services-USCC

Total mt: 657
Total \$ 423,700

FY 1989 ANNUAL BUDGET SUBMISSION
TABLE XIII
PL 480 TITLE II

I. Country Kenya

Sponsor's Name Catholic Relief Services_USCC

A. Maternal and Child Health.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
_____	_____	_____	_____
_____	_____	_____	_____
Total MCH		_____	_____

B. School Feeding.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
_____	_____	_____	_____
_____	_____	_____	_____
Total School Feeding		_____	_____

C. Other Child FeedingTotal Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
_____	_____	_____	_____
_____	_____	_____	_____
Total Other Child Feeding		_____	_____

D. Food for Work.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
_____	_____	_____	_____
_____	_____	_____	_____
Total Food for Work		_____	_____

E. Other (Specify).....Monetization.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
_____	Wheat	4,213	497,134
_____	_____	4,213	497,134
Total Other		_____	_____

II. Sponsor's Name Catholic Relief Services-USCC Total mt : 4,213
Total \$: 497,134

FY 1989 ANNUAL BUDGET SUBMISSION
TABLE XIII
PL 480 TITLE II

I. Country Kenya

Sponsor's Name CARE

A. Maternal and Child Health.....Total Recipients _____

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
_____	_____	_____	_____
_____	_____	_____	_____
<u>Total MCH</u>		_____	_____

B. School Feeding.....Total Recipients _____

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
_____	_____	_____	_____
_____	_____	_____	_____
<u>Total School Feeding</u>		_____	_____

C. Other Child FeedingTotal Recipients _____

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
_____	_____	_____	_____
_____	_____	_____	_____
<u>Total Other Child Feeding</u>		_____	_____

D. Food for Work.....Total Recipients _____

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
_____	_____	_____	_____
_____	_____	_____	_____
<u>Total Food for Work</u>		_____	_____

E. Other (Specify) Self-Help Labor.....Total Recipients 4.6
Community Level Food Security

<u>No. of Recipients by Commodity</u>	<u>Name of Commodity</u>	<u>(Thousands)</u>	
		<u>KGS</u>	<u>Dollars</u>
<u>4.6</u>	<u>Wheat</u>	<u>2,000</u>	<u>275,000</u>
_____	_____	_____	_____
<u>Total Other</u>		_____	_____

II. Sponsor's Name CARE/Kenya Total mt : 2,000
Total \$: 275,000