

UNCLASSIFIED

PD-AAV-846

Annual Budget Submission

FY 1989

NIGERIA

BEST AVAILABLE

May 1987



Agency for International Development
Washington, D.C. 20523

UNCLASSIFIED

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

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

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

FY 1989 ANNUAL BUDGET SUBMISSION
 TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT AID/Nigeria
 (\$000)

FY 1986	FY 1987	--FY 1988--	FY 1989	-----PLANNING PERIOD-----			
ACTUAL	ESTIMATE	CP ESTIMATE	AAPL	1990	1991	1992	1993

Not applicable to AID/Lagos.
 At present there is no program
 actively in Nigeria using bilat-
 eral funding.

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AID/Nigeria

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

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

Not applicable to Aid/Lagos.
At present there is no program
actively in Nigeria using
bilateral funding.

AID/Nigeria

FY 1989 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

PROJECT NUMBER AND TITLE C DATE L INIT FIN	-TOTAL COST- AUTH PLAN	ESTIMATED U.S. DOLLAR COST (\$000)				FY 89 AAPL	SPECIAL CODES	ITEM NO
		OBLIG THRU FY 86	PIPE- LINE FY 86	---FY 1987--- OBLIG- EXPEND- ATIONS ITURES	MORTGAGE END OF FY 87			

Not applicable to Aid/Lagos.
At present there is no program
actively in Nigeria using
bilateral funding.

AID/Nigeria

FY 1989 ANNUAL BUDGET SUBMISSION
TABLE IV ATTACHMENT 1
FORESTRY

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

Not applicable to AID/Lagos.
At present there is no program
actively in Nigeria using
bilateral funding.

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

AID/Nigeria

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

Not applicable to AID/Lagos.
At present there is no program
actively in Nigeria using
bilateral funding.

AID/Nigeria

FY 1989 ANNUAL BUDGET SUBMISSION
TABLE IV ATTACHMENT 3
BIOLOGICAL DIVERSITY

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

Not applicable to AID/Lagos.
At present there is no program
actively in Nigeria using
bilateral funding.

FY 1989 ANNUAL BUDGET SUBMISSION
TABLE IV ATTACHMENT 4
CHILD SURVIVAL

AID/Nigeria

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

Not applicable to AID/Lagos.
At present there is no program
actively in Nigeria using
bilateral funding.

AID/Nigeria

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

RANK PROJECT	TITLE	PROGRAM FUNDING (\$000)				CUM
		NEW/ CONT	LOAN/ GRANT	APPROP	INCR	

Not applicable to AID/Lagos.
At present there is no program
actively in Nigeria using
bilateral funding.

FY 1989 ANNUAL BUDGET SUBMISSION

AID/Nigeria

Table VI: Expenditures of Local Currency Generations (all in the U.S. dollar equivalents, and in \$ Millions)

<u>Source/Purposes</u>	<u>1986 ACTUAL</u>	<u>1987 EST.</u>	<u>1988 PLANNED</u>	<u>1989 PROP.</u>
I. ECONOMIC SUPPORT FUND				
A. Public Dev Activities				
1. e.g. Ag. Research, irrigation, rural infrastructure (also indicate the amount of this counterpart which is in direct support of AID projects)				
2.				
B. Private Sector Programs				
1.				
2.				
C. Public Sector Recurrent Budget				
1.				
2.				
D. AID Operating Expenses (Trust Fund)				
II. DEVELOPMENT ASSISTANCE				
A. Public Development Activities				
1.				
2.				
E. Private Sector Programs, Small Enterprise Credit (also include type of organization, e.g., PVO Coop, Business, Other)				
1. e.g., PVO, Small Enterprise Development				
2. e.g., COOP, Housing				
C. Public Sector Recurrent Budget				
1.				
2.				
D. AID Operating Expenses (Trust Funds)				

Not applicable to AID/Lagos. At present there is no program actively in Nigeria using bilateral funding.

SUBTOTAL ESF & DA

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

<u>Source/Purposes</u>	<u>1986 ACTUAL</u>	<u>1987 EST.</u>	<u>1988 PLANNED</u>	<u>1989 PROP.</u>
II. <u>PL 480</u>				
A. Public Development Activities				
1.				
2.				
B. Private Sector Programs				
1.				
2.				
C. Public Sector Recurrent Budget				
1. e.g., Child Survival (also indicate the amount of this counterpart which is in direct support of AID projects)				
2. Agriculture or other subsidies				
D. AID Operating Expenses (Trust Funds)				

TOTALS

Not applicable to AID/Lagos.
At present there is no program actively in Nigeria using bilateral funding.

TABLE VIII
 (\$000)
 FY 1987

<u>Expense Category</u>	<u>Func. Code</u>	<u>Dollars</u>	<u>Trust Funds</u>	<u>Total</u>	<u>Unit</u>
<u>U.S. Direct Hire</u>	<u>U100</u>	<u>233.1</u>			
U.S. Full time Basic Pay	U101	153.9			2.3
U.S. Part time Basic Pay	U102	-			
Differential Pay	U103	38.6			
Other AID/W Funded Code 11	U104	13.8			
Other Mission Funded Code 11	U105	1.7			
Education Allowances	U106	-			
Retirement	U107	11.6			
Cost of Living Allowances	U108	.8			
Other AID/W Funded Code 12	U109	1.7			
Other Mission Funded Code 12	U110	-			
Post Assignment Travel	U111	-			-
Post Assignment Freight	U112	-			-
Home Leave Travel	U113	-			-
Home Leave Freight	U114	-			-
Education Travel	U115	-			-
R & R Travel	U116	4.0			2.0
Other Code 215 Travel	U117	7.0			3.0
<u>Foreign National Direct Hire</u>	<u>U200</u>	<u>11.0</u>			
F.N. Basic Pay	U201	6.5			2.0
Overtime/Holiday Pay	U202	.5			.1
All Other Code 11 - F.N.	U203	3.1			
All Other Code 12 - F.N.	U204	.9			
Benefits - Former F.N. Pers.	U205	-			
<u>Contract Personnel</u>	<u>U300</u>	<u>78.1</u>			
PASA Technicians	U301	-			-
U.S. PSC Salaries/Benefits	U302	53.0			3.0
All Other U.S. PSC Costs	U303	-			
F.N. PSC Salaries/Benefits	U304	25.1			6.0
All Other F.N. PSC Costs	U305	-			-
Manpower Contracts	U306	-			-
<u>Housing</u>	<u>U400</u>	<u>158.0</u>			
Residential Rent	U401	114.0			3.0
Residential Utilities	U402	2.5			
Maintenance & Renovation	U403	1.0			
Quarters Allowances	U404	-			-
Residential Furniture/Equip	U405	32.0			
Trans/Freight - Code 311	U406	8.0			
Security Guard Services	U407	-			-
Official Residence Allowance	U408	-			-
Representation Allowance	U409	.5			

* Unit data must be provided.

Organization AID/Lagos
Budget Plan Code COEA-87-21620-11000

TABLE VIII
Continued
(\$000)
FY 1987

<u>Expense Category</u>	<u>Func. Code</u>	<u>Dollars</u>	<u>Trust Funds</u>	<u>Total</u>	<u>Units</u>
<u>Office Operations</u>	<u>U500</u>	<u>146.7</u>			
Office Rent	U501	-			
Office Utilities	U502	-			
Building Maint/Renovation	U503	-			
Office Furniture/Equipment	U504	12.0			
Vehicles	U505	-			
Other Equipment	U506	-			
Transportation/Freight	U507	4.0			
Furn/Equip/Veh Repair/Maint	U508	2.0			
Communications	U509	2.5			
* Security Guard Services	U510	-			-
Printing	U511	1.0			
* Site Visits - Mission	U513	20.0			20.0
* Site Visits - AID/W	U514	14.0			4.0
* Information Meetings	U515	6.0			6.0
* Training Attendance	U516	-			-
* Conference Attendance	U517	1.9			2.0
* Other Operational Travel	U518	10.0			4.0
Supplies & Materials	U519	7.0			
FAAS	U520	46.3			
Contract Consulting Services	U521	-			
Contract Mgt/Prof. Services	U522	-			
Special Studies/Analyses	U523	-			
All Other Code 25	U524	20.0			
TOTAL OPERATING EXPENSE BUDGET		<u>626.9</u>			
Reconciliation		265.9			
Operating Budget Requirements		361.0			
636(c) Requirements	U601				
TOTAL ALLOWANCE REQUIREMENTS	U000	<u>361.0</u>			

OTHER INFORMATION

Dollar Requirements for Local Currency Purchases 50.0
Exchange Rate Used (Average rate for FY 86/87) (May 15/87) ₦4.1201=\$1.00
Estimated Inflation Rate 5%

NOTE: FUNCTION CODE U512 (RIG OPERATIONAL TRAVEL) IS NO LONGER A VALID CODE.
ALL RIG OPERATIONAL TRAVEL WILL BE CHARGED TO FUNCTION CODES U513
THROUGH U518 AS APPROPRIATE.

* Unit data must be provided.

TABLE VIII
 (\$000)
 FY 1988

<u>Expense Category</u>	<u>Func. Code</u>	<u>Dollars</u>	<u>Trust Funds</u>	<u>Total</u>	<u>Units</u>
<u>U.S. Direct Hire</u>	<u>U100</u>	<u>346.8</u>			
U.S. Full time Basic Pay	U101	134.9			2.0
U.S. Part time Basic Pay	U102	-			-
Differential Pay	U103	33.8			-
Other AID/W Funded Code 11	U104	14.0			-
Other Mission Funded Code 11	U105	-			-
Education Allowances	U106	64.8			4.0
Retirement	U107	10.2			-
Cost of Living Allowances	U108	3.0			-
Other AID/W Funded Code 12	U109	1.7			-
Other Mission Funded Code 12	U110	1.4			-
Post Assignment Travel	U111	10.0			2.0
Post Assignment Freight	U112	30.0			2.0
Home Leave Travel	U113	3.0			2.0
Home Leave Freight	U114	30.0			2.0
Education Travel	U115	-			-
R & R Travel	U116	-			-
Other Code 215 Travel	U117	10.0			4.0
<u>Foreign National Direct Hire</u>	<u>U200</u>	<u>11.9</u>			
F.N. Basic Pay	U201	7.2			2.0
Overtime/Holiday Pay	U202	.5			.1
All Other Code 11 - F.N.	U203	3.3			-
All Other Code 12 - F.N.	U204	.9			-
Benefits - Former F.N. Pers.	U205	-			-
<u>Contract Personnel</u>	<u>U300</u>	<u>86.3</u>			
PASA Technicians	U301	-			-
U.S. PSC Salaries/Benefits	U302	58.0			3.0
All Other U.S. PSC Costs	U303	-			-
F.N. PSC Salaries/Benefits	U304	28.3			6.0
All Other F.N. PSC Costs	U305	-			-
Manpower Contracts	U306	-			-
<u>Housing</u>	<u>U400</u>	<u>25.6</u>			
Residential Rent	U401	-			-
Residential Utilities	U402	3.0			-
Maintenance & Renovation	U403	5.0			-
Quarters Allowances	U404	-			-
Residential Furniture/Equip	U405	12.1			-
Trans/Freight - Code 311	U406	5.0			-
Security Guard Services	U407	-			-
Official Residence Allowance	U408	-			-
Representation Allowance	U409	.5			-

* Unit data must be provided.

Organization AID/Nigeria
Budget Plan Code COEA-88-21620-U000

TABLE VIII
Continued
(\$000)
FY 1988

<u>Expense Category</u>	<u>Func. Code</u>	<u>Dollars</u>	<u>Trust Funds</u>	<u>Total</u>	<u>Units</u>
<u>Office Operations</u>	<u>U500</u>	<u>210.3</u>			
Office Rent	U501	-			
Office Utilities	U502	-			
Building Maint/Renovation	U503	-			
Office Furniture/Equipment	U504	15.0			
Vehicles	U505	20.0			
Other Equipment	U506	4.0			
Transportation/Freight	U507	15.6			
Furn/Equip/Veh Repair/Maint	U508	1.5			
Communications	U509	3.0			
* Security Guard Services	U510	-			-
Printing	U511	1.2			
* Site Visits - Mission	U513	20.0			25.0
* Site Visits - AID/W	U514	15.0			4.0
* Information Meetings	U515	7.0			7.0
* Training Attendance	U516	10.0			5.0
* Conference Attendance	U517	8.0			2.0
* Other Operational Travel	U518	7.0			6.0
Supplies & Materials	U519	8.0			
FAAS	U520	50.0			
Contract Consulting Services	U521	-			
Contract Mgt/Prof. Services	U522	-			
Special Studies/Analyses	U523	-			
All Other Code 25	U524	25.0			
TOTAL OPERATING EXPENSE BUDGET		<u>680.9</u>			
Reconciliation		244.6			
Operating Budget Requirements		436.3			
636(c) Requirements	U601				
TOTAL ALLOWANCE REQUIREMENTS	U000	<u>436.3</u>			

OTHER INFORMATION

Dollar Requirements for Local Currency Purchases	<u>55.0</u>
Exchange Rate Used (Average rate for FY 86/87) (May 15/87)	<u>N4.1201=\$1.00</u>
Estimated Inflation Rate	<u>5%</u>

NOTE: FUNCTION CODE U512 (RIG OPERATIONAL TRAVEL) IS NO LONGER A VALID CODE. ALL RIG OPERATIONAL TRAVEL WILL BE CHARGED TO FUNCTION CODES U513 THROUGH U518 AS APPROPRIATE.

* Unit data must be provided.

TABLE VIII
 (\$000)
 FY 1989

<u>Expense Category</u>	<u>Func. Code</u>	<u>Dollars</u>	<u>Trust Funds</u>	<u>Total</u>	<u>Units</u>
<u>U.S. Direct Hire</u>	<u>U100</u>	<u>295.1</u>			
U.S. Full time Basic Pay	U101	134.9			2.0
U.S. Part time Basic Pay	U102	-			-
Differential Pay	U103	33.8			
Other AID/W Funded Code 11	U104	14.0			
Other Mission Funded Code 11	U105	-			
Education Allowances	U106	72.0			4.0
Retirement	U107	10.2			
Cost of Living Allowances	U108	4.0			
Other AID/W Funded Code 12	U109	1.7			
Other Mission Funded Code 12	U110	-			
Post Assignment Travel	U111	-			-
Post Assignment Freight	U112	-			-
Home Leave Travel	U113	-			-
Home Leave Freight	U114	-			-
Education Travel	U115	-			-
R & R Travel	U116	17.0			2.0
Other Code 215 Travel	U117	7.5			6.0
<u>Foreign National Direct Hire</u>	<u>U200</u>	<u>13.4</u>			
F.N. Basic Pay	U201	8.2			2.0
Overtime/Holiday Pay	U202	.5			.1
All Other Code 11 - F.N.	U203	3.6			
All Other Code 12 - F.N.	U204	1.1			
Benefits - Former F.N. Pers.	U205	-			
<u>Contract Personnel</u>	<u>U300</u>	<u>92.5</u>			
PASA Technicians	U301	-			-
U.S. PSC Salaries/Benefits	U302	60.0			3.0
All Other U.S. PSC Costs	U303	-			
F.N. PSC Salaries/Benefits	U304	32.5			-
All Other F.N. PSC Costs	U305	-			
Manpower Contracts	U306	-			-
<u>Housing</u>	<u>U400</u>	<u>37.0</u>			
Residential Rent	U401	-			-
Residential Utilities	U402	3.5			
Maintenance & Renovation	U403	5.0			
Quarters Allowances	U404	-			
Residential Furniture/Equip	U405	20.0			
Trans/Freight - Code 311	U406	8.0			
Security Guard Services	U407	-			
Official Residence Allowance	U408	-			
Representation Allowance	U409	.5			

* Unit data must be provided.

Organization AID/NIGERIA
Budget Plan Code COEA-89-21620-U000

TABLE VIII
Continued
(\$000)
FY 1989

<u>Expense Category</u>	<u>Func. Code</u>	<u>Dollars</u>	<u>Trust Funds</u>	<u>Total</u>	<u>Units</u>
<u>Office Operations</u>	U500	231.0			
Office Rent	U501	-			
Office Utilities	U502	-			
Building Maint/Renovation	U503	-			
Office Furniture/Equipment	U504	10.0			
Vehicles	U505	25.0			
Other Equipment	U506	-			
Transportation/Freight	U507	14.0			
Furn/Equip/Veh Repair/Maint	U508	2.0			
Communications	U509	3.5			
* Security Guard Services	U510	-			
Printing	U511	1.5			
* Site Visits - Mission	U513	25.0			30.0
* Site Visits - AID/W	U514	15.0			4.0
* Information Meetings	U515	8.0			7.0
* Training Attendance	U516	10.0			5.0
* Conference Attendance	U517	10.0			3.0
* Other Operational Travel	U518	8.0			7.0
Supplies & Materials	U519	9.0			
FAAS	U520	50.0			
Contract Consulting Services	U521	-			
Contract Mgt/Prof. Services	U522	-			
Special Studies/Analyses	U523	-			
All Other Code 25	U524	40.0			
TOTAL OPERATING EXPENSE BUDGET		<u>669.0</u>			
Reconciliation		244.6			
Operating Budget Requirements		424.4			
636(c) Requirements	U601				
TOTAL ALLOWANCE REQUIREMENTS	U000	<u>424.4</u>			

OTHER INFORMATION

Dollar Requirements for Local Currency Purchases	<u>62.0</u>
Exchange Rate Used (Average rate for FY 86/87) ^(May 15/87)	<u>N-4.1201=\$1.00</u>
Estimated Inflation Rate	<u>5%</u>

NOTE: FUNCTION CODE U512 (RIG OPERATIONAL TRAVEL) IS NO LONGER A VAILD CODE.
ALL RIG OPERATIONAL TRAVEL WILL BE CHARGED TO FUNCTION CODES U513
THROUGH U518 AS APPROPRIATE.

* Unit data must be provided.

Organization: AID/Nigeria

TABLE VIII (a)
Narrative

ANNUAL BUDGET SUBMISSION
FY 1989

OVERVIEW

Nigeria's population is estimated to be 105 million. It is growing at the rate of 3.0 per cent per year and constitutes 25 per cent of the population of the sub-Saharan continent.

The Annual Budget Submission (ABS) for FY 1989 should be reviewed in the context of past conditions in Nigeria as well as anticipated future program activities. In 1982 a small AID Affairs Office was established, attached to the U.S. Embassy, Lagos with one USDH. The function of this office was the coordination point for a multitude of AID/W centrally and regionally funded contractors/grantees in the family planning field for work in Nigeria. There was and is no active bilateral activity in the country. Coordination with various international donors also constitutes an important function of this office, e.g. World Bank, WHO, UNFPA, and UNICEF.

In addition to the USDH AID Affairs Officer, AID/W also assigned an Agricultural Development Officer in 1984 to the International Institute for Tropical Agriculture (IITA) located in Ibadan. IITA supported housing and other costs for this Officer. The focus of his work was on regional agricultural development activities throughout the West African region. In FY 1987 this USDH position was eliminated by AID/W although we now anticipate that the position will soon be taken over by a US Department of Agriculture PASA employee either late FY 1987 or early FY 1988. In 1985 AID/W further assigned a USDH Health Development Officer to Lagos to assist in the expanding Family Planning program and to implement Child/Health Care program activities for Nigeria. To date AID/Nigeria coordinates some 20 AID/W funded cooperated agencies in Nigeria at an approximate level of \$6-7 million a year. In addition, a new 5 year \$15 million regional Combatting Childhood Communicable Disease (CCCD) Child Survival program has been implemented in December, 1986. In response to various program and management concerns, AID/Nigeria has proposed a new regionally funded \$67 million 5 year family planning project funded through the Africa Bureau's Family Health Initiatives II for obligation in FY 1987. We believe such a program will increase the management of the family planning program by reducing the number of cooperating agencies in-country, as well as provide a contractor to assist in administrative support.

SECTION A: Management Improvements:

Given the small size of AID/Nigeria, we have continued our focus on management issues over the past two years on how program activities could be more effectively carried out, consonant with staffing and funding limitations. The extensive use of REDSO/WCA technical expertise has been invaluable to this effort. Through the introduction of WANG ADP equipment in 1986 and the addition of such equipment in 1987, AID/Lagos has embarked on a computer training program for the two FSNDH's, two FSNPSC logistic and commodity specialists, and the two secretaries. Use of this equipment has increased office efficiency and as a result we do not anticipate adding any more staff to the payroll during the projected ABS period. This equipment has been most helpful in coordinating the approximate 30-50 TDY visitors who come through the AID/Lagos office each month; as well as the need to track increasing AID donated commodities, (e.g. family planning supplies and equipment) as they move from Lagos Port to various clinics up country. AID/Lagos is soon expecting to computerize the CDC developed client data MIS system so that family planning data will be more easily available within the AID office and AID/W. Past program efforts have concentrated on retrieval and MIS capabilities for the Federal Ministry of Health.

AID/Lagos anticipates that work force levels, especially those of FSN's and PSC's, will remain constant despite the expanding family planning and health care programs now under way. However, to be more responsive to AID/W and Congressional interest in the Nigerian program, AID/Lagos will continue to focus on the management improvement of the AID Affairs Office to increase overall efficiency at the least possible cost. One way to relieve this management burden is through the CCCD project using its program coordinator and its local support staff. A second program coordinator is anticipated for the newly proposed Nigeria Family Health Initiative II project paper now being presented to AID/Washington.

Given the small AID staff currently attached to the U.S. Embassy, Lagos, high costs at other Posts have not been reflected in FAAS charges here. A review of FAAS charges by REDSO/WCA WAAC and AID/Lagos concluded that charges to FAAS, by virtue of being included in the overall Embassy FAAS coverage, are indeed much lower than if AID contracted independently for these same services. As a result, AID/Lagos sought and was granted permission by AID/W to be excluded from the recent FAAS reduction exercise. Further cost savings were realized due to the recent devaluation of the Naira in which many local costs were reduced considerably. Obviously, however, due to funding limitations imposed on AID by the Congress,

AID/Lagos will continue to examine various cost saving measures wherever possible which are designed to reduce FAAS charges. One example where FAAS costs have been reduced has been our decision to move all the voucher and payroll functions to REDSO/WCA WAAC in Abidjan through the use of DHL service. At present minimal financial functions are conducted through the Embassy B&F Office but we anticipate these too will be transferred to WAAC Abidjan in the near future for additional costs savings.

SECTION B: Justification for Funding Changes:

We believe that the small AID/Lagos Office has consistently been in the forefront of the cost savings effort. AID/W originally suggested a FY 1987 level of \$475,000 for AID/Lagos but we advised them that our analysis indicated a need for only \$434,100. Further local cost savings were realized due to the recent devaluation of the Naira and thus we advised AID/W of the newly revised OE Level of \$361,000 for this fiscal year. In FY 1988 AID/Lagos anticipates that both the AID Affairs Officer and Health Development Officer will transfer in the middle of the fiscal year. Normally this would increase costs, especially by the fact that two families are anticipated in lieu of the two single employees presently at post. In order to reduce expected increases due to the FY 1988 transfer to Lagos, this office is prudently utilizing its FY 1987 funds so that the impact of higher expected costs in FY 1988 needed for the support of 2 USDH employees will be somewhat reduced. To accomplish this in FY 1987, AID/Lagos has increased costs in category U400 to order needed residential furniture for both the new AID Affairs Officer and new Health Development Officer arriving in 1988. We also are using FY 1987 funds to pay the necessary 3 years in advance rent costs for the apartment of the Health Development Officer. However, in FY 1988 overall U100 costs are expected to be higher due to the transfer of 2 AID USDH and their families to Lagos to replace the 2 "single" families currently represented at post. In the meantime, AID/Lagos has reduced NXP costs to only those amounts considered essential for the efficient operation of the office, consistent with management concerns. This is particularly true in spite of the increase in program activities expected through the newly implemented regionally funded CCCD program and the expected new regionally funded Family Health Initiatives II Nigeria Family Planning Project. In a separate message (STATE 140842) AFR/CONT has suggested that the Nigeria OE Budget be kept at a level of \$400,000 for both FY 1988 and FY 1989. We do not believe this is managerially prudent because of the need to maintain a 2 AID USDH staff on site here in Lagos. This is particularly true in light of the expanding program responsibilities outlined above through

the Family Planning and Child Survival activities. Even so, by anticipating a number of costs in FY 1988 and using FY 1987 funds for a portion of these expected costs, requirements for FY 1988 and FY 1989 come to only \$436,300 and \$424,400 respectively. We believe these levels reflect prudent concern for the cost cutting exercise and still maintain necessary managerial oversight, despite higher costs due to transfers.

SECTION C: Trust Funds:

AID/Lagos had investigated possibilities whereby companies could donate some of their blocked local funds to AID/Lagos for program related use in Nigeria. These companies could then take an attractive tax credit in the United States. Unfortunately, due to the recent devaluation of the Naira and new tax bill, this resource no longer appears viable. We had hoped that funds could be generated for program and or mission related costs through this particular mechanism. At present trust funds are not applicable to this mission and are highly unlikely in view of the more realistic value of the Naira.

In FY 1986 AID/Lagos did receive a donation of blocked Naira from the National Cash Register Corporation here in Lagos for \$150,000 which has been put into a non-interest bearing escrow account in RAMC Paris for the use of short term agricultural specialist training in the United States through the African American Institute. We believe this represents an innovative way of using funds which were previously blocked for development purposes here in Nigeria, especially in the critical area of agricultural development. These funds are available and will be programmed in the near future. AID/Lagos will continue to closely coordinate this innovative concept with relevant AID offices as we program participants through the African American Institute in New York city.

Organization AID/Nigeria

TABLE VIII(b)
Information on U.S. PSC Costs
(\$000)

<u>Job Title/Description</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
US PSC Executive Assistant	21.0	23.0	24.0
US PSC Secretary/Admin	16.0	17.5	18.0
US PSC Secretary/Admin	16.0	17.5	18.0

Includes base salary, benefits if applicable and estimated overtime.

Organization AID/Nigeria

TABLE VIII(c)
All Other Code 25 Detail
(\$000)

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

Code U306 not applicable to AID/Nigeria.
No Manpower contracts.

Organization AID/Nigeria

TABLE VIII(d)
Manpower Contract Detail

(\$000)

<u>Description</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
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Not applicable to AID/Nigeria.
No Manpower projects.

Organization AID/Nigeria

TABLE VIII(d)
Manpower Contract Detail
(\$000)

<u>Description</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
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Not applicable to AID/Nigeria.
No Manpower projects.

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

<u>ITEM AND EXPLANATION</u>	<u>FY 1987</u> (1 unit)	<u>FY 1988</u> (2 units)	<u>FY 1989</u> (1 unit)
1. <u>Capital Investment:</u>			
A. <u>Purchase of Hardware</u>			
Wang Exp PC w/30 MB Disk PC-XC3-3, 160 CPS	8.2	15.0	8.0
132 matrix printer PC-PM016, 40CPS Wang			
Daisy Printer PC-PM015, Monochrome Display			
PC PC PM004, Monitor Arm and Clamp			
PC-AC001-PC-AC002, keyboard, workstation,			
memory expansion card PC-PM031, Wang IBM			
Emulation Card PC PM 101			
B. <u>Purchase of Software</u>	1.0	-	2.0
DBase III, Lotus 1-2-3, PC Word Processing,			
PC Basic 2			
C. <u>Site Facility</u>	2.8	-	-
UPS and shipping			
SUBTOTAL Section 1	<u>12.0</u>	<u>15.0</u>	<u>10.0</u>
2. <u>Personnel:</u>			
A. <u>Compensation, Benefits and Travel</u>	-0-	-0-	-0-
B. <u>Workyears</u>	-0-	-0-	-0-
3. <u>Equipment Rental, Space and Other Operating Costs:</u>			
A. <u>Lease of Equipment</u>	-0-	-0-	-0-
B. <u>Space</u>	-0-	-0-	-0-
C. <u>Supplies and Other Material</u>	2.0	2.0	2.0
D. <u>Non-Commercial Training</u>	-0-	-0-	-0-
SUBTOTAL Section 3	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>

Organization AID/Nigeria

TABLE VIII(e)
(Continued)
(\$000)

<u>ITEM AND EXPLANATION</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
4. <u>Commercial Services:</u>			
A. Computer Time	-0-	-0-	-0-
B. Leased Telecommunications Services	-0-	-0-	-0-
C. Operations and Maintenance			
(1) Operations	-0-	-0-	-0-
(2) Maintenance:			
Other than WANG equipment	-0-	-0-	-0-
WANG equipment (Local maintenance)	1.0	1.0	1.0
WANG equipment (A.I.D./W maintenance)	-0-	-0-	-0-
D. <u>Systems Analysis and Programming:</u>	-0-	-0-	-0-
E. <u>System Design and Engineering</u>	-0-	-0-	-0-
F. <u>Studies and Other</u>	-0-	-0-	-0-
SUBTOTAL Section 4	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
5. TOTAL DOLLARS	<u>15.0</u>	<u>18.0</u>	<u>13.0</u>
TOTAL WORKYEARS (From item 2A)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
6. <u>MISSION ALLOWANCE LEVELS:</u>			
A. Existing systems	<u>2.0</u>	<u>3.0</u>	<u>4.0</u>
B. New or expanded systems	<u>12.0</u>	<u>15.0</u>	<u>10.0</u>

Organization: AID/Nigeria

Annual Budget Submission
Technology Narrative

AID/Lagos first acquired Wang equipment in FY 1986. Our current year program is to continue to utilize this technology by expanding its use. At present, word processing capability is utilized primarily by the secretaries and one professional. AID/Lagos plans to continue to train all FSN professionals, especially the two commodity and logistics specialists in the use of this automated equipment so as to better track AID donated commodities coming into Nigeria as well as their delivery up-country. Of prime importance to any family planning program is acceptor data on clients. The AID/W funded Center for Diseases family planning division has greatly assisted the Federal Ministry of Health in the development of a client record form, the training of personnel in its use, and a MIS system for data retrieval. Through the use of the new automated equipment at AID/Lagos, the mission will be able to be an integral part of the MIS system and be in a better position to respond to AID/W and Congressional inquiries related to the growing child survival and family planning programs.

AID/Lagos acquired one (1) automated workstation in FY 1986, plus related software and a service contract with Wang and its local service dealership, Datamatics. In FY 1987 and beyond, it is expected that each year additional systems should be installed in the mission and be tied into the Embassy's OIS system if feasible in order to respond to ever increasing program responsibilities which we anticipate, especially in the child/health care field. These include expected demands from the recently implemented CCCD program for Nigeria, and our new family planning program (FHI II - Nigeria) which was just presented to AID/W for approval.

Under the present system two (2) workstations are available to one USDH professional, 3 secretaries and TDY personnel estimated at six (6) person months. Training of our two FSN DH, especially the training specialist, continues and we anticipate that the usage rate will improve by late FY 1987. We expect to add another two workstations in FY 1988 as the two FSNPSC logistics and Commodities personnel gain proficiency in the equipment and begin to apply it to their work on tracking AID commodities and storing of client record data. Increase usage is also expected by the 30-50 official TDY visitors who come to Lagos each month, funded from some 20 centrally funded AID/W contractors/grantees in the population/health fields. A recent addition of the regionally funded \$15 million CCCD project to the mission portfolio will place additional demands on the need for

additional ADP equipment during this period. By FY 1989 we expect four workstations will accommodate 2 USDH and 1 PASA professionals, 3 secretaries, one (1) administrative assistant , 2 FSNDH program specialists, 2 FSNPSC logistic/commodity/personnel, and up to 8 person months of TDY personnel.

A listing of inventory records of AID/Lagos ADP equipment is readily available through AID/W IRM.

Organization AID/Nigeria

TABLE VIII(f) - 2
Report on Motor Vehicle Operations
(Trust Funds)

<u>ITEM AND EXPLANATION</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
A. <u>Numbers of Vehicles:</u>			
1. <u>Purchased Vehicles:</u>			
(a) Number of vehicles on-hand at start of year		No trust funds	
(b) Plus Number of vehicles to be purchased during the year		Not applicable	
(c) Less Number of vehicles to be dispose of during the year			
(d) Number of vehicles on hand end of year	_____	_____	_____
	-----	-----	-----
2. <u>Leased Vehicles:</u>			
Average number of leased vehicles in use during year			
B. <u>Estimated Obligations:</u>		No trust funds	
1. Vehicle Purchases		Not applicable	
2. Special modifications (such as armor plating)			
3. Transportation of purchased vehicles			
4. Vehicle Leases			
5. Vehicle Maintenance/Repairs			
6. Salaries/Benefits of Drivers/Dispatchers			
7. Supplies/Materials/Gas/Oil			
8. Rental of Warehouse/Garage space			
9. Other Miscellaneous Costs			
10. Total Obligations	_____	_____	_____
	-----	-----	-----
C. Vehicles included in (A) above owned by A.I.D. but operated/maintained by JAO/Embassy motor pool:			
(1) On-hand at start of year			
(2) To be purchased during the year		Not applicable	
(3) To be disposed of during the year			

Country/Office AID/Nigeria

FY 1989 ANNUAL BUDGET SUBMISSION

TABLE XI

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

	ACTUAL FY 1987	ESTIMATED FY 1988	PROJECTED FY 1989
	\$ MT	\$ MT	\$ MT

COMMODITIES

Title I

Total
of which
Title III

Total
COMMENT:

Not applicable to AID/Lagos.
At present there is no program
actively in Nigeria using
bilateral funding.

FY 1989 ANNUAL BUDGET SUBMISSION

TABLE XII

COUNTRY/OFFICE AID/Nigeria

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 - _____		
Beginning Stocks		
Production		
Imports		
Concessional		
Non-Concessional		
Consumption		
Ending Stocks		
<hr/>		
Commodity - _____		
Beginning Stocks		
Production		
Imports		
Concessional		
Non-Concessional		
Consumption		
Ending Stocks		
<hr/>		
Commodity - _____		
Beginning Stocks		
Production		
Imports		
Concessional		
Non-Concessional		
Consumption		
Ending Stocks		

Comment:

Not applicable to AID/Lagos.
At present there is no program
actively in Nigeria using
bilateral funding.

FY 1988 ANNUAL BUDGET SUBMISSION
TABLE XIII
PL 480 TITLE II

I. Country Nigeria

Sponsor's Name _____

Not applicable

A. Maternal and Child Health. Total Recipients _____

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

B. School Feeding Total Recipients _____

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

C. Other Child Feeding. Total Recipients _____

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

D. Food for Work Total Recipients _____

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

E. Other (Specify) Total Recipients _____

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

II. Sponsor's Name _____

Organization: AID/Nigeria

FY 1989
Annual Budget Submission
Privatization Narrative

In FY 1987 AID/Lagos presented to AID/W a \$67 million 5 year family planning project for approval, to be funded from the AFR Bureau Family Health Initiatives II project (698-0462.20).

At the request of the Federal Military Government of Nigeria (FMG), the project, which was designed jointly by a team of Nigerian/American experts, addressed the rapid expansion of family planning through the coordinated activities of four key functional areas:

- Private sector service delivery to develop, refine, implement and expand large-scale, private sector networks which provide family planning and other basic services through a variety of commercial, work place and community outlets, and private maternity homes and medical facilities.
- Public sector service delivery to strengthen management systems and service delivery capacities in order to provide clinic-based services in all levels of government facilities, from large teaching hospitals to basic village dispensaries.
- Information, education and communication to enhance the acceptability of smaller family norms and family planning as well as to provide information on available family planning options and services.
- Policy implementation to strengthen the process of policy implementation and strategic planning for efficient mobilization of an effective and self-sustaining national family planning program.

Through the provision of technical assistance, training and commodity support, mutually reinforcing activities under these four components were carefully coordinated to comprise an integrated Nigerian family planning project. The \$10 million Private sector component of this project is probably the most innovative element of the project and is designed to effectively impact on the population growth problem in Nigeria through the use of private outlets located throughout the country.

Nigeria's robust and enterprising private health and commercial sectors will be tapped to provide family planning information and services with major emphasis on urban areas. Existing distribution networks will be expanded and new ones created to provide private interests with contraceptive commodities.

Specifically, the private sector component of the project will contribute to achieving FHI-II's overall prevalence goal by serving 1.2 million family planning users. This will be accomplished by providing services and/or commodities through three program networks, large distributors, medical and service delivery sites, and associations and factories.

Large-scale distributors. Sterling Products (Nigeria) Ltd. and W. C. Clark are examples of large-scale distributors. Sterling Products, a S.W./Nigeria owned manufacturer and distributor of over-the-counter drugs, will reach 4,000 outlets by 1992. W. C. Clark, or a similar trading company, will be selected to reach other commercial outlets such as supermarkets, department stores, and market women.

Medical and Service Delivery Sites. Nurses, midwives, doctors, maternities, clinics, religious missions, and hospitals will be supplied and trained to provide family planning services.

Associations and Factories. A variety of activities will be initiated with vendors, community people, employers, and others. Vendor activities will be organized by large units for efficiency, for example, under the Union Transport Workers or the Market Women's Association.

Together, these private sector networks will service a total of approximately 12,000 outlets in 12 states, initially. These outlets will be located primarily in cities of 100,000 or more population.

In addition, an estimated 500,000 users will be served outside this project, primarily through private sector providers, with various methods, such as voluntary surgical contraception, implants, injectables, and other contraceptive products or brands not directly provided under the auspices of the project. As a result, it is estimated that, by 1992 approximately 70 percent of the 2.5 million family planning users in Nigeria will be served by the private sector (1.7 million) and 30 percent by the public sector (800,000). This is a reversal of the current ratio, in which 70 percent of users are served by the public sector, 30 percent by the private. Yet it reflects more closely the current overall pattern of utilization for other established health services which is approximately 60 percent private and 40 percent public.

In order to serve 1.2 million users through the private sector, over 7,000 persons will be trained. These will include pharmaceutical personnel who will be trained in family planning methods and counseling; vendors who will be taught more about specific family planning methods and sales; and private nurses and doctors who will be trained to insert IUDs as well as counsel and to provide other methods.

Contraceptive supplies will be purchased by AID through a separate contract, and delivered to Sterling Products and other distributors. Storage, distribution, and monitoring of use will be managed by the private sector component under service subcontracts.

The achievement of these private sector outputs will be dependent on the following premises:

- the private sector is willing to make an investment in family planning services;
- the private infrastructure can accommodate increased family planning activities;
- private sector personnel trained under the project will utilize their newly acquired skills to attract and serve family planning clients; and
- an increasing number of Nigerians will be willing to purchase contraceptives as prices become affordable.

These premises have already been demonstrated in previous AID-funded activities in Nigeria, such as the commercial marketing projected with Sterling, which sold over six million condoms and 600,000 cycles of pills to retailers in the first nine months of operation. With a first year budget of only \$47,000 plus commodities, this project generated income equivalent, before devaluation, to \$1.0 million. No other AID sponsored project ever has sold 6 million condoms within the same initial time frame. Sterling also supported the first nationwide television, radio, and newspaper advertising campaign for family planning products in sub-Saharan Africa.

The income earned from Sterling's first funding period was programmed for second period operations, further training with the private sector, and product promotion. Moreover, during period two, all Sterling activities have been paid for out of income generated. This too, is a hallmark. No other project has ever been submitted to AID requiring only commodity support.

Future Strategy:

We believe other interests (government and/or private) can be stimulated to respond to the increased public demand for contraceptives. For example, reaching the goal of 12 percent prevalence requires that commodities supplied increase each year. In 1992, 140,000 IUCDs, 4,550,000 orals 45,500,000 condoms, and 5,000,000 foaming tablets will be required to supply Nigeria's contraceptive needs. If income is generated, as anticipated, the private sector will acquire \$4.5 million through the sale of contraceptives, over the life of the project. The price of contraceptives donated through the private sector will have been \$14,049,025. Thus, thirty-two percent of the value of the contraceptives will have been recovered.

Options for continuing the supply of contraceptives include, but are not limited to the following:

a. AID continues to supply subsidized contraceptives and a new (higher) prevalence goal is reached.

b. Contraceptive manufacturers (U.S.-based or other) take on the task of supplying other contraceptives, at a profit. Experimenting with pricing can support this option. For example, the private sector can slowly raise the price of contraceptives. Nigerian or other contraceptive suppliers, must be convinced to lower their prices, the goal being to reach a point where it is profitable for other suppliers to step in.

c. Given the anticipated volume of condoms (45,500,000 in Year Five), Nigerian-based firms may be interested in the local manufacture of condoms. The possibility of distributing contraceptives to other ECOWAS countries enhances the feasibility of this option. Local production of orals is not probable after only five years, since the cost involved in tableting is very high.

The private sector plans to explore these, and other options, throughout the life of the project so that the full potential of the investment in FHI-II can be realized.

Organization: AID/Nigeria

FY 1989
Annual Budget Submission
Africa Bureau Guidance
(State 97541)

Table I - Not applicable - no bilateral at present

Table II - Not applicable - no bilateral at present

Table III - PVO activity

1. Pathfinder -698-0662-Family Health Initiatives I (regional - Africa Bureau)
2. Africare - 698-0662 - Family Health Initiatives I (regional - Africa Bureau)

Table IV - Private Sector

FPIA - Nigeria 18 - Sterling Project (regionally funded S&T/POP) \$47,000 (see privatization narrative.) 1985-1987. The new FHI II project paper is proposing \$10 million for private sector, Sterling type activities over coming 5 years.

Table V - Centrally Funded Activities

S&T/POP and AFR/TR/HPN are to supply the most updated regional/centrally funded MIS list of project activities currently active in Nigeria. Each project is directly related to the Mission portfolios as AID/Lagos has no active direct bilateral in country at this time.

Table VI - Local Currency Table
Not applicable

Table VII - Evaluations

1. CCCD Project - 698.0421 - Evaluation scheduled November, 1987.
2. Pathfinder Cooperative Agreement - Project 698-0662 Family health Initiatives I - Evaluation scheduled Spring, 1988.
3. Africare Cooperative Agreement- Project 698-0662 Family Health Initiatives I Evaluation scheduled Spring, 1988.
4. Family Health Initiatives II - Nigeria Project (698-0462.20). Evaluations scheduled tentatively November, 1989, July, 1991, and end of project evaluation o/a November, 1992.

Mission Evaluation Officer: L. R. Eicher (5 percent)

Special Concerns

Food Programs - Not applicable - no bilateral

Biological Diversity - Not applicable - no bilateral

Agricultural Research and Faculties of Agriculture.

The International Institute for Tropical Agriculture, located in Ibadan, is a well known agriculture research facility which is supported by a variety of international donors, included funding support direct from AID/W. AID/Lagos has no direct funding ties to IITA. AID/US liaison with IITA is through a U.S. Department of Agriculture PASA employee who is to be assigned to IITA either late FY1987 or early FY1988.

AID/W has also sent a number of survey teams to explore AID regional funding support to re-establish agricultural training centers here in Nigeria. To date no firm agreements have yet been reached nor has AID/W advised AID/Lagos what funding level support might be possible. AID/Lagos supports the continued use of IITA as a research center and believes there are many fine agricultural schools in Nigeria which could contribute to more efficient agriculture production throughout West Africa.

Child Survival

The population of Nigeria is estimated at 105 million, 48 million are age 0 to 15 years. With a population growth rate of 3.0% annually, over 4.5 million children are born every year. The infant mortality rate of 110 per 1,000 live birth means that over 500,000 of these infants die during their first year of life. An additional 350,000 will die before reaching the age of five. Of those who survive, many would be disabled, or unable to reach their full potential, due to illness that could have been prevented by immunization and improved nutrition.

The most common causes of death and illness among children in Nigeria are malaria, diarrheal diseases, measles, acute respiratory infections, neonatal tetanus and pertussis, with widespread malnutrition and under-nutrition underlying the high morbidity rates of most of these diseases. Measles is estimated to cause 100,000 deaths annually, while tetanus accounts for 30,000 deaths. While reliable statistics are limited, malaria appears to be responsible for over 100,000 deaths of children under five annually, and one survey in hyperendemic areas of Northern

Nigeria found that over 6% of infants died from malaria. Acute respiratory infections also claim a large number of lives of young children, with bronchopneumonia constituting one of the main causes of morbidity, along with gastroenteritis, dehydration, and estimated to claim between 120,000 and 180,000 lives a year. This high death toll from diarrhea and dehydration appears to be associated with the high incidence of malnutrition. A 1983/84 survey on the health of Nigerians found 21% of urban and 20% of rural children to be moderately or severely malnourished as a result of the worsening economic situation and inadequate weaning and feeding practices.

Support for child survival through AID/Lagos depends on regional funding from AID/W such as through CCCD (698-0421) funded for \$15 million in FY1987 for 5 years. Some \$6 million of this project flows through local UNICEF EPI and ORT activities. In addition AID/Lagos gives support for child survival utilizing cooperative agreements, funded regionally under 698-0662, Family Health Initiatives I to Africare and Pathfinder Fund. Other AID/W funded CSP support comes through S&T/H projects such as the Dietary Management of Diarrheal Diseases (DMD) and we project the possible use of the Applied Diarrheal Disease Research project (ADDR) during the forthcoming ABS period.